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# Social Security Bulletin

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## Social Security in Review

THE FIFTH YEAR of operation under the Social Security Act, 1940 was the first year in which both of the act's social insurance programs were in operation in all States throughout the full calendar period. It thus becomes possible for the first time, on the basis of data presented in this issue of the Bulletin, to summarize statistics for a full calendar year of operations under all programs of the act.

OLD-AGE AND SURVIVORS INSURANCE payments certified to the Treasury by the Social Security Board in the calendar year 1940 amounted to nearly \$40.6 million. Of this total, \$28.9 million represented primary, supplementary, and survivors monthly benefits; \$8.9 million represented lump-sum death payments under the 1939 amendments to the act; and \$2.8 million represented lump-sum payments under the provisions of the Social Security Act of 1935. By the end of the year nearly 255,000 claims for monthly benefits had been allowed, and the monthly amount payable with respect to such claims, prior to deductions required under sections 203 and 907 of the Social Security Act Amendments of 1939, had reached a total of more than \$4.7 million.

More than 52.6 million individual employee accounts had been established by the end of 1940, and wages amounting to an estimated total of nearly \$108.6 billion for 1937, 1938, 1939, and the first three quarters of 1940 had been reported for recording in these accounts.

UNEMPLOYMENT COMPENSATION payments in 1940 amounted to nearly \$536 million, as compared with approximately \$436 million in 1939. These totals include benefits under the Railroad Unemployment Insurance Act, which first became payable in July 1939. Benefits under State unemployment compensation systems alone amounted to \$436 million for 1940, and \$430 million in 1939, when benefits were payable throughout the

year in all but two jurisdictions. In December 1940 benefits under State laws amounted to \$30.9 million, an increase of 1.4 percent from the amount for December 1939 and of 4.5 percent over the total for November 1940. December payments, compensating nearly 3 million weeks of unemployment, were issued weekly to an average of 666,600 beneficiaries. Total payments for the year under the State laws represented compensation for nearly 51 million weeks of unemployment.

Public employment offices filled approximately 3.8 million jobs in 1940, of which 85 percent were in private employment. The number of private placements during 1940 was 20 percent above the total for 1939 and was the largest for any year in the history of the United States Employment Service. Despite a record of more than 16.5 million applications for employment received during the year, the active file of persons registered as in search of employment at the end of December numbered less than 4.8 million, in contrast to a total of 5.7 million at the end of 1939.

PUBLIC ASSISTANCE payments in States operating approved plans with the aid of Federal funds under the Social Security Act amounted to more than \$618.8 million for 1940. Payments to recipients of old-age assistance accounted for nearly 77 percent of the total, or about \$475.8 million; aid to dependent children accounted for \$129.7 million, about 21 percent of the total; and aid to the blind, \$13.4 million, or 2 percent. Payments for December 1940 were made to nearly 2.1 million recipients of old-age assistance; to approximately 359,000 families in behalf of 866,000 dependent children; and to 49,000 recipients of aid to the blind.

Approved plans for all three of the special types of public assistance were in operation in 40 States in December 1940, as compared with 39 States in the last month of 1939. All 48 States, Alaska, Hawaii, and the District of Columbia had ap-

proved plans for old-age assistance in operation throughout 1940; approved plans for aid to dependent children were in operation throughout the year in 42 jurisdictions, and in one additional State (South Dakota) beginning in November; and 43 jurisdictions had approved plans for aid to the blind in operation throughout the year.

**FEDERAL GRANTS** to States under the provisions of the Social Security Act, on the basis of checks issued by the Treasury Department, amounted to nearly \$394.2 million for the calendar year 1940, as compared with \$338.7 million for 1939. These amounts do not include Federal grants for vocational rehabilitation under title V of the act, which are not segregated from other Federal funds provided for similar purposes. Of the total for 1940, grants for each of the several programs were as follows: old-age assistance, \$247.7 million; aid to dependent children, \$59.5 million; aid to the blind, \$7 million; maternal and child-health services, \$5.2 million; services for crippled children, \$3.5 million; child welfare services, \$1.6 million; public health services, \$10.6 million; and unemployment compensation administration, \$59.2 million. In addition to the latter amount for administration of their unemployment compensation systems, the States received allotments amounting to \$3.1 million under the Wagner-Peyser Act.

**TOTAL ASSETS** held in the old-age and survivors insurance trust fund as of December 31, 1940, amounted to more than \$2 billion, as compared with less than \$1.5 billion at the end of 1939. State accounts in the unemployment trust fund were credited with a balance of \$1.8 billion, representing total deposits amounting to nearly \$3.2 billion, plus interest of about \$0.1 billion, less withdrawals of nearly \$1.5 billion (including withdrawals for transfer to the railroad unemployment insurance account). The total assets in the unemployment trust fund at the end of 1940, including assets of the railroad unemployment insurance account, amounted to \$2.0 billion, as compared with \$1.5 billion at the end of 1939.

**ADDITION OF GENERAL RELIEF** to the assistance categories for which Federal funds are granted to the States under the social security program was recommended in a report adopted by the Council of State Governments at its fifth General Assembly in January. The report was submitted to the Council by its Special Committee on Relief after a survey of general relief and public assistance conducted through a series of five regional conferences in which State legislators and public officials concerned with these problems participated. The committee advanced a series of proposals, covering "only so much of the present system of administering public relief and assistance as in our opinion urgently requires simplification or revision at the present time." Other measures recommended were: administration of work relief by the States "as a part of the general shared relief programs"; provision for relief for migrants, without residence requirements; uniform Federal "reimbursement" rates for all public assistance programs, applicable to costs of administration as well as to assistance costs and varying among the States from a minimum of 50 percent to a maximum of 75 percent on the basis of "such factors as the volume of unemployment, costs of living, and per capita income"; supervision by the Federal Government, in programs financed jointly, of "qualifications of personnel, maintenance of records, and maxima of individual grants for which reimbursement will be made"; distribution of surplus commodities "in accordance with plans developed and mutually agreed upon" by the Federal Government and the appropriate State agencies; more adequate provision for occupational training of "potentially employable persons" and for rehabilitation through medical care and treatment of physical defects; establishment of "a continuing joint congressional committee working with State legislative and administrative groups in planning for new or modified legislation, and for the purpose of providing for research in public assistance"; and provision for "a legislative counterpart to the joint congressional committee by a continuing committee on relief of the Council of State Governments."

# Employment Security in Great Britain During the First 14 Months of the War

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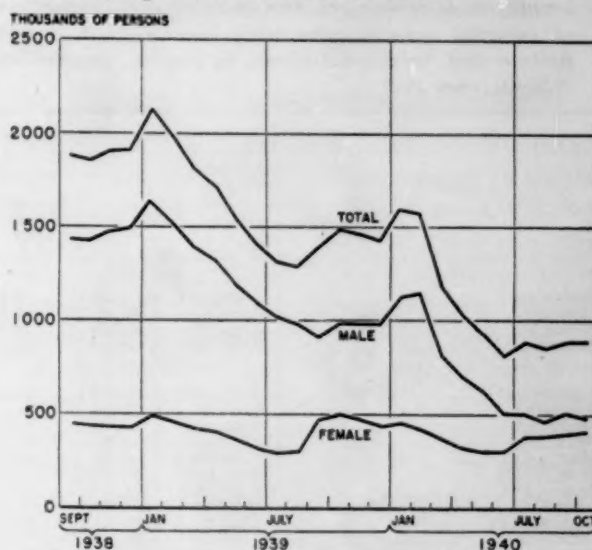
*Both the changing character of wartime employment in Great Britain and the need for comprehensive changes in unemployment insurance provisions to meet the new conditions were recognized during the early months of the war. This article, necessarily based on information available from British official and unofficial publications,<sup>1</sup> outlines situations and provisions now of special interest to State administrators and others concerned with similar problems raised by this country's program of national defense.*

THE FIRST 14 MONTHS after the declaration of war on September 3, 1939, saw a very substantial rearrangement of the British labor market. The number of persons registered as unemployed at the employment exchanges, which had declined 40 percent as a result of the rearmament program of the pre-war months from January to August 1939, rose about 24 percent by January 1940 and then dropped by June to an all-time low of 834,214, a decline of 48 percent within 5 months (chart 1 and table 1). Thereafter, it rose to 904,480 by October, an increase of 8.4 percent. This rise was caused by Italy's entry into the war and the collapse of France, which resulted in restriction of the manufacture and sale of goods for civilian use and the loss of continental markets.

The usual meaning of the blunt figures of the number unemployed has been changed, however, by the withdrawal of men for the military and civil defense forces, the mobilization for war work of persons not previously gainfully occupied, and the evacuation of women and children inland and overseas. No official statistics have been issued for the number of people retired from industry or withdrawn to the defense forces, or the number not normally gainfully employed but recruited for war work. It has been held, however, that the number of people retired or siphoned off for duty with all branches of the defense forces was greater than the number who left the unemployment register even though the supply of labor was augmented by new entrants and reentrants into industry. Thus it appears that at the end of the

first 14 months of the war the number of persons in regular employment in Great Britain and Northern Ireland had not increased but had probably declined.

Chart 1.—Unemployed persons registered at employment exchanges, by sex, Great Britain and Northern Ireland, September 1938–October 1940



Source: Ministry of Labour Gazette, October 1938–November 1940.

In addition to changes in the total number of workers in regular employment, there has also been a vast shifting of workers from one industry to another, i. e., from the distributive and service trades to the armament and export industries, a process reversing the movement of labor during the previous decade or more from the mining and heavy metal industries concentrated in the "depressed areas." The maintenance of employment generally, and its expansion in the war industries in particular, were accomplished by the mobilization of persons not previously gainfully occupied.

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<sup>1</sup> Among the sources used for this analysis, the most important were: *The Economist*; the *Ministry of Labour Gazette*; Allen, R. G. D., "The Unemployment Situation at the Outbreak of War," *Journal of the Royal Statistical Society*, Vol. 103, Pt. II, 1940, pp. 191–217; the various *Statutory Rules and Orders, 1939 and 1940*; and Emmerson, H. C., and Lascelles, E. C. P., *Guide to the Unemployment Insurance Acts, 1939*.

The growth in the military sector of industry was smaller than the decline in the civil sector. The unemployment register was not reduced by increasing employment so much as by recruitment into the defense forces. Moreover, this process could not be relied on to reduce the unemployment register much longer, since by March 1940 the unemployed males of draft age were only about 36 percent of the total number on the register.

Under the impact of the war, the composition of the unemployed group began to change. Although a substantial number of unemployed men were mobilized for defense, women on the unemployment register were not being drawn to any great extent into industry. Between June 1939 and June 1940, the number of unemployed men on the register declined 53.5 percent but the

number of women increased 1.5 percent; similarly, the number of unemployed boys declined faster than girls, the former dropping 42.5 percent as against 7.8 percent. However, between June and October there was a rapid influx into the labor market of women and juveniles not normally gainfully employed, who registered at that critical juncture for war work. While the number of unemployed men on the register decreased 7 percent in those 4 months, the number of women increased 25 percent, girls 70 percent, and boys 70 percent.

At the very opening of the war, the "black-coat" professional and clerical workers were seriously affected by unemployment. They were persons who had either been employed in commerce, banking, insurance, and finance or attached to nonfactory work (retail trade, clerical work, service trades, and local government service), and thus had either not come within the insured groups or rarely used the employment exchanges. Between August 1939 and June 1940 the number of such uninsured persons on the unemployment register in Great Britain increased from 90,476 to 122,854, a rise of 36 percent, and their proportion of the total registered unemployed rose from 7 to 16 percent. From June to October 1940, this group declined to 103,669, a drop of 16 percent. Their proportion of the total registered unemployed was 12 percent at that time.

Of equal significance was the loosening of the "hard core" of unemployment. This process had begun during defense preparations before the war, when the number of persons unemployed in England for 5 years or more dropped by 45,000 between December 1938 and August 1939, as against a decline of 600,000 in total unemployment. Although in normal times the unemployed in the "hard core" were generally the last to be reemployed, the need of labor attached to the formerly "depressed" industries for war work, as well as the Government's policy of not depleting the labor force in the civil sector of industry until the ranks of the unemployed had been tapped, now resulted in the rapid "softening" of the "core." Thus, between August and December 1939, those unemployed 5 years or more declined by another 87,000, while total unemployment increased 130,000.

The number of persons unemployed for a year or more declined from 244,513 (or 22 percent of the total) in August 1939 to 121,874 (or 16 percent

**Table 1.—Number of unemployed persons registered at employment exchanges, and number and proportion of insured persons who were unemployed, Great Britain and Northern Ireland, by month, September 1938–October 1940**

Month	Number of registered unem- ployed persons <sup>1</sup>	Unemployed insured persons	
		Number <sup>2</sup>	Percent of total insured <sup>3</sup>
1938			
September.....	1,880,575	1,835,958	12.4
October.....	1,862,662	1,830,628	12.3
November.....	1,911,293	1,880,445	12.7
December.....	1,918,583	1,890,959	12.7
1939			
January.....	2,133,809	2,007,082	14.0
February.....	1,986,302	1,958,255	13.1
March.....	1,813,987	1,788,831	12.0
April.....	1,726,083	1,685,247	11.2
May.....	1,565,313	1,536,476	10.2
June.....	1,417,239	1,399,891	9.3
July.....	1,326,134	1,310,528	8.7
August.....	1,294,805	1,275,361	8.5
September.....	1,395,550	1,329,191	8.8
October.....	1,499,893	1,401,397	9.3
November.....	1,477,586	1,390,087	9.2
December.....	1,440,923	1,363,027	9.1
1940			
January.....	1,602,551	1,533,261	10.2
February.....	1,585,884	1,545,616	10.3
March.....	1,193,259	1,160,552	7.7
April.....	1,040,344	1,000,800	6.7
May.....	947,752	914,166	6.1
June.....	834,214	779,783	5.2
July.....	898,676	836,138	5.6
August.....	867,739	811,210	5.4
September.....	903,437	( <sup>4</sup> )	5.8
October.....	904,480	( <sup>5</sup> )	( <sup>5</sup> )

<sup>1</sup> Represents number of persons aged 14–64 registered as of a particular day includes both insured and uninsured; data from *Ministry of Labour Gazette*, October 1939, p. 364; July 1940, p. 190; August–November 1940.

<sup>2</sup> Represents number of persons aged 16–64 insured under the unemployment insurance acts, as of a particular day; data from *Ministry of Labour Gazette*, October 1938–September 1940.

<sup>3</sup> Based on estimates of total insured at beginning of July for each year except 1940, for which no estimate has been published; data from *Ministry of Labour Gazette*, October 1938 and November 1939–October 1940.

<sup>4</sup> Excludes men at Government training centers who were unemployed when they entered the centers.

<sup>5</sup> Publication of this statistical series was suspended.

of the total) in May 1940, a drop of 50 percent. The rate of decline varied inversely with age, skill, and duration of unemployment. On January 1, 1940, about two-thirds of the men still unemployed were laborers, and 47 percent were between the ages of 55 and 64. The latest available figures for November 1940 indicate the shrinking of the number unemployed a year or more to 54,079, or a 78-percent decrease since August 1939. The total number of persons on the register declined by only 32 percent during the same period. It is thus clear that the speeding up of the dissolution of the "hard core" came with the change of government and policy in Great Britain in May 1940. Those still unemployed for a year or more probably represent "the last remnants of chronic unemployment in the depressed industries," some of whom cannot now be considered as attached to the industries involved.<sup>2</sup>

Great Britain has thus been transformed, as a result of wartime necessity, from a nation with a serious unemployment problem to one rapidly approaching an exhausted labor reserve. Not merely has the "hard core" been dwindling, but the total unemployed group in the population has been approaching the point where it will cease to be a source of labor. Authoritative British opinion maintains that it is difficult to reduce the percentage of the insured unemployed below 5 percent. By June 1940 the proportion of insured unemployed in Great Britain and Northern Ireland was 5.2 percent, and in Great Britain alone, 4.8 percent. The situation in the essential defense industries was even more critical. The proportion of unemployed among insured persons in engineering occupations was only 1.8 percent; in motors and aircraft, 1.5 percent; in other metal trades, 2.9 percent. The unoccupied population and those in nonessential activities therefore are becoming the source from which the rapidly dwindling labor reserve must be replenished.

Thus the Government has been faced with the necessity of reorganizing production methods so that semiskilled and unskilled workers could be used in operations which in a peacetime economy predominantly demanded skilled workers, of drawing into industry the great mass of women still unemployed, and of expanding the facilities for training or retraining the new industrial army.

<sup>2</sup> Allen, *ibid.*, p. 206.

Among the measures taken toward control of the labor market were modifications and changes in the systems of unemployment insurance, unemployment assistance, and industrial training allowances. In 1914, Great Britain faced the problem of adjusting its employment security program to wartime needs with only 2 years of experience with unemployment insurance and a statute providing limited benefits to a relatively small group. At that time, the unemployment insurance system covered only 2½ million people, a small part of the gainfully employed population, and was confined to certain specified occupations. In contrast, nearly 15 million persons in July 1939 were insured under a general unemployment insurance system, and an additional 710,000 were covered under an agricultural unemployment insurance system. Closely tied in with these programs was an unemployment assistance system designed to pay allowances to those who were in need and had either exhausted their benefits under the insurance system or were ineligible for such benefits.

### Changes in Unemployment Insurance

Two days after Britain's entry into the present war, Parliament passed an emergency unemployment insurance act giving the Minister of Labour extensive emergency powers to adapt the statutory system of unemployment insurance to war conditions. The act empowered the Minister, with the approval of the Treasury and by means of regulations, to modify or suspend such provisions of the existing unemployment insurance laws and make such provision with respect to any matters to which they related as he considered expedient. Although he could not alter by regulations the rates of benefit or contribution or Treasury advances to the unemployment fund, such changes were incorporated in the Unemployment Insurance Act of July 25, 1940.<sup>3</sup> Armed with broad powers, the Minister of Labour enormously extended the coverage of the system, relaxed significantly the eligibility provisions, and limited the types of work which claimants could

<sup>3</sup> Since Great Britain's entry into the war, three measures affecting the unemployment insurance act have been adopted: The Unemployment Insurance (Emergency Powers) Act, 1939, which came into operation on September 6, 1939; the Unemployment Insurance (Increase of Benefit in Respect to Dependent Children) Order, 1940, Statutory rules and Orders, 1940, No. 569, which amended the Unemployment Insurance Act of 1935 as previously amended; and the Unemployment Insurance Act, 1940, adopted July 25, 1940.

refuse as unsuitable. He also substantially increased benefits for insured persons and dependent children, raised contributions, and paid off part of the debt of the unemployment fund to the Exchequer.

### **Unemployment Fund**

In reporting on the unemployment fund for 1939, the Unemployment Insurance Statutory Committee<sup>4</sup> declared that, despite its expectation that expenditures would exceed income by £8,250,000, the fund had actually at the end of 1939 an excess of income over expenditure of £16,750,000. The Committee held that this balance represented, in part at least, "windfall" profits due to improved employment resulting from defense expenditure. However, since the course of events of the war or post-war period could not be predicted, the Committee recommended that part of this balance be maintained as reserve against post-war unemployment, that £37 million be allocated to repayment of the debt (which amounted to £77,798,000 at the end of August 1939), and that the interest thus saved—£1.1 million—be used to increase the benefit for dependent children by 1s. a week for each of the first two children. In accordance with these recommendations, the Minister of Labour ordered the allocation of £37 million for repayment of debt on March 30.

By the end of October 1940, the debt had declined to £38,974,000, a decrease of 50 percent since August 1939 and of 63 percent since July 1934, when statutory provision was made for repayment of debt. When the act of 1940 was passed in July, the Government Actuary estimated that the increase in the fund resulting from increased contributions and the extension of insurance would be about £9.6 million a year. He felt that, with unemployment at a low level during the war, the result would be some increase in the balance of the fund as a reserve for the post-war years.

The average weekly amount paid out in unemployment benefits in Great Britain dropped from £591,250 to £519,200 between August and September 1939 (table 2), reflecting the pre-war decline in unemployment. However, by February 1940 the weekly average rose to its wartime high

of £966,750 or an increase of 86 percent since the outbreak of war in September. Thereafter it dropped rapidly with declining unemployment, despite increased rates of benefit and coverage, until in June 1940 it reached £294,200, a figure about 30 percent of the wartime high. Between June and October 1940, however, it rose again to £441,250, an increase of 50 percent. This rise reflected the growth in the number of persons on the unemployment register because of restrictions on production and sale of goods for civilian use and the loss of continental markets resulting from the rapid development of the war since June.

### **Coverage**

Just prior to the outbreak of war, when Britain accelerated her defense preparations, civilian workers on board British warships were brought within the scope of the unemployment insurance system, unless they were not domiciled or ordinarily resident in the United Kingdom. Three days after the war began, the Minister of Labour suspended the issuance of new certificates of exemption from unemployment insurance. Previously, some persons were able to obtain a certificate of exemption relieving them (but not their employers) from liability for contributions if they received a pension or income of £26 or more annually which was not dependent on their own efforts, if they were usually or mainly dependent for their living on some other person or on some uninsurable occupation, or if they were employed in a seasonal occupation covering no more than 18 weeks a year.

Conscription, which began in Britain in July 1939, and the general calling up of reservists, territorials, and auxiliaries removed an increasingly large number of insured persons from civilian employment. Under the law of 1935, reservists, territorials, auxiliary airmen, and enlisted men who were called out for actual service during an emergency, just for the duration of the emergency, were insured for the first 4 months of service, only if they had been previously insured. On discharge from the service, every seaman, marine, soldier, and airman received a credit of contributions at the rate of one for every week of service, irrespective of previous insurance status. These provisions were amended, in view of the war, "to regularize the insurance position of persons engaged in various forms of National Service,

<sup>4</sup> Unemployment Insurance Statutory Committee, *The Report on the Financial Condition of the Unemployment Fund (General Account)*, as at 31st December, 1939.

whether in the Armed Forces or otherwise." Officers continued to be insured for the first 4 months of service, if previously insured. All others received a credit of contributions on discharge, irrespective of length of service. The amendments were extended to officers and members of such auxiliary defense organizations as the Women's Royal Naval Service, the Auxiliary Territorial Service, and women members of the Voluntary Aid Detachments. Members of police forces recruited for war services were also brought under the insurance program, as were the nursing auxiliaries connected with hospitals or the Civil Defense Scheme. The same provision was made for persons going abroad for work in specified "war occupations," whether previously insured or not. However, part-time members of the Air Ministry Observer Corps and Coast Auxiliary Watchers were excepted from insurance.

In March 1940 the age at which old-age pensions are payable to women was lowered from 65 to 60 under the Old Age and Widows' Pensions Act of 1940, effective July 1, 1940. Appropriate adjustments were also made in their unemployment insurance status. Previously, women had been excluded from coverage at age 65, the age at which contributory old-age pensions were payable; they no longer contributed or received unemployment insurance benefits, although their employers continued to pay contributions. The act lowered this age limit to 60 years and provided safeguards of benefit rights during a transition period of 5 years. The total number of women who will thus cease to be insured under the unemployment insurance system has been estimated at about 40,000.

One of the most far-reaching extensions in coverage came with the adoption of the Unemployment Insurance Act of July 1940. This act brought within the system, as of September 2, the "nonmanual" workers whose remuneration was between £250 and £420 a year. The previous income limit had been £250. This measure was considered necessary because of the increase in unemployment among this group arising from the restrictions on nonessential services in the interests of war production. In praising this step, *The Economist*<sup>5</sup> explained that this group includes "workers who have long lived in an uneasy no-man's-land between the State-aided poor and

the independent well-off, and who are now liable, with the cutting-down of nonnecessary civilian trades, to fall out of work and into distress." The number thus brought within the system was estimated at about 400,000.

### *Eligibility and Disqualification*

With the outbreak of war, the Minister of Labour used the emergency powers granted him to bring pressure on young men and women to enter war work. On September 6, 1939, he suspended the crediting of insurance contributions to juveniles who continued full-time education after the age at which education ceased to be compulsory (in general, at age 14). The obligation of educational authorities to provide them with courses of instruction was likewise suspended.

At the same time, to meet the problems arising from the evacuation of women and children, benefit conditions were relaxed in favor of persons engaged in providing accommodation or serving those removed from their homes under an approved scheme of evacuation. Such persons were not to be considered ineligible for benefit either for themselves or for dependents on the ground that they were "not available for work" or "not unemployed" or engaged in an occupation carried on for profit. Similarly, the Minister revoked the previous disqualification of an insured contributor from benefit with respect to dependent children for inability to prove they were being maintained wholly or mainly by him. The qualifications for dependents' benefit were relaxed still further in May. Up to that time, a claimant who, while unemployed, was not actually maintaining his dependent children could qualify for additional dependents' benefits only if he contributed to their maintenance not less than the amount of the increase of benefit received and if he also was their chief support when he was employed. Under the new regulations, a claimant whose children had been evacuated under an official scheme was entitled to benefit on their account if he contributed toward the cost of their accommodation, maintenance, and medical treatment not less than the sums required of him by the local authority in the reception area under the rules of the Departments of Health.

With the speeding up of the war in France, in May, and the preparations for the expected invasion of England in June and July, the Minister of

<sup>5</sup> June 29, 1940, p. 1106.

Labour issued new regulations to bring the unemployment insurance system into adjustment with rapidly moving events. An insured person is not to be disqualified from benefit as "not available for work" for the sole reason that he is engaged in the manning or launching of a lifeboat; nor is this activity to be deemed an occupation carried on for profit. A later order declared certain employments to be subsidiary and not a principal means of livelihood: employment in lifeboat work involving part-time service only as a member of the crew of a lifeboat or as shore-attendant, signalman, launcher, wincher, lightman or helper; and employment by the Ministry of Shipping or the Admiralty as an auxiliary watcher ordinarily involving less than 28 hours' service weekly. Thus claimants to benefit who are unemployed except for such work "will not in future be disqualified from benefit" because they are "not unemployed."

By July 1940, the skilled-labor reserves of the essential war industries of Britain were "scraping bottom." Although the number of Government training centers had been increased and their activity speeded up, the Government found it necessary to press into war work skilled workers attached to nonessential industries. For this reason, as well as "to bring the Unemployment Insurance System into line with Regulation 58A of the Defense (General) Regulations" (which empowered the Minister of Labour and National Service to direct any person to perform services of which he is capable anywhere in the Nation), new regulations were issued. Persons convicted of noncompliance under Regulation 58A were disqualified from benefit for no more than 6 weeks. The regulations provided that work certified by the Minister as of national importance would not, if it was at standard or prevailing rates and conditions, be "unsuitable" under the benefit provisions merely because the worker had previously enjoyed better conditions or—if he had been unemployed for at least a fortnight—because it was not his usual occupation. The requirement, as a condition of benefit, of proof of attendance, or of good cause for lack of it, at a training course either required by the Ministry or voluntarily pursued was made applicable to all trainees at authorized courses. Moreover, the "continuity rule" was modified to allow benefit to an insured person who had been unemployed for at least 2 out of 6 consecutive days, instead of 3 out of 6 consecutive days as previously.

## Benefits

In adapting the unemployment insurance system to wartime needs, rates and duration of benefits were increased and the appeals procedure was simplified. At the very outset, the duration of benefit was increased in the general system from a maximum of 156 days (26 weeks) plus extended benefit to a flat 180 days (30 weeks) in a year. In April 1940, when the act was amended in accordance with the recommendations of the Unemployment Insurance Statutory Committee, benefits for dependent children were increased from 3s. to 4s. a week for the first two children. When the cost of living rose 17 percent between the outbreak of war and July 1940, benefit rates were again increased. In the act of July 1940, benefits were raised 3s. for men and women aged 21–64 and 2s. for young men and women aged 18–20, thus increasing rates from 17s. to £1 for men, from 15s. to 18s. for women, from 14s. to 16s. for young men, and from 12s. to 14s. for young women.

In the agricultural system, duration of benefits, which had been dependent on past contributions and thus varied from 42 to 300 days, was changed to a uniform 90 days. The previous requirement that an agricultural claimant must have 10 contributions to his credit before he could begin a benefit year was suspended. The benefits of dependent children under the agricultural as well as the general system were raised in April 1940 from 3s. to 4s., and the maximum weekly benefit payable under the agricultural system was increased accordingly, from 33s. to 35s.<sup>6</sup> The act of July 1940 raised agricultural rates 3s. for men and 2s. for young men and all women, so that men and women over 21 years of age received 18s. and 15s., respectively, and young men and women aged 18–20 received 15s. and 12s., respectively. Moreover, the maximum weekly agricultural benefit was further increased from 35s. to 41s. to bring it in line with the new minimum wage of 48s. for agricultural workers.

The system of appeals on claims was short-circuited at the very outset of the war by allowing an insurance officer the right to disallow any claim and decide any question regarding deductions from benefit, instead of referring these questions to courts of referees as in the past.

<sup>6</sup> No such maximum is established under the general system, which pays benefits for all children under 14.

## Contributions

Fine administrative adjustments were shelved during the war. All return of contributions erroneously paid was suspended, as was the provision for repayment of part of the contributions of employers and employees in agriculture who entered into a contract of employment on a yearly or half-yearly hiring. When benefits were increased in the act of July 1940 for those 18 years of age and over, provision was also made for increased contributions to meet the increased cost. Each contributing party (i. e., employer, worker, and the Exchequer) had to pay 1d. more under the general scheme and ½d. under the agricultural scheme. Thus, under the general scheme, men and women 21 years of age and over paid 1s.8d. and 1s.6d., respectively; young men and women 18-20 paid 1s.6d. and 1s.4d., respectively. Under the agricultural scheme, the respective rates were 7d., 6d., 6d., and 5d.

## Changes in Unemployment Assistance

The outbreak of war also brought changes in the system of unemployment assistance. For the express purpose of "preventing or relieving distress arising by reason of war," the Minister of Labour received emergency powers, subject to the approval of the Treasury, to make regulations enlarging the group of people to whom unemployment allowances could be given and to modify or suspend any provision of the Unemployment Assistance Act except those relating to the determination of need and those safeguarding certain resources of the household of which the recipient is a member. Any such emergency allowance payments were to be deemed duly granted under the act, even if normal requirements had not been complied with.

In view of the extensive changes in labor-market conditions since 1936, when the regulations detailing the scale of allowances were made, and particularly in view of the changes resulting from the war, the Unemployment Assistance Board recommended the payment of increased allowances. The recommendation was adopted and presented by the Minister to Parliament, which approved the new regulations on December 18, 1939. The rate of 24s. a week for the householder and householder's wife or husband was increased by 2s.; other rates for those 16 years or older were increased by

1s.; the rates for children under 16, by 6d.; and the rate for persons living otherwise than as members of households, from 15s. to 16s.6d. Moreover, persons entitled to an allowance because of distress resulting from the war were eligible for these increases equally with all other recipients of allowances. It was estimated that the additional cost of these increased allowances would be about £2.5 million a year.

**Table 2.—Average weekly amount expended for unemployment insurance benefits and unemployment assistance allowances in Great Britain, by month, June 1939–October 1940**

Month	Average weekly unemployment insurance benefits	Average weekly unemployment assistance allowances
<b>1939</b>		
June.....	£691, 250	£617, 000
July.....	610, 800	556, 800
August.....	591, 250	503, 250
September.....	519, 200	500, 600
October.....	737, 250	390, 250
November.....	684, 250	457, 000
December.....	670, 000	479, 800
<b>1940</b>		
January.....	864, 500	517, 000
February.....	966, 750	513, 750
March.....	573, 800	460, 400
April.....	473, 750	388, 750
May.....	403, 000	363, 000
June.....	294, 200	311, 000
July.....	353, 750	237, 000
August.....	378, 000	205, 400
September.....	437, 250	196, 500
October.....	441, 250	257, 000

Source: Compiled from *Ministry of Labour Gazette*, "Unemployment Allowances," July 1939–November 1940.

Further increases were made on November 4, 1940, providing additional amounts of 2s. a week for the householder and householder's wife (or husband), 1s. for persons 16 years of age and over, 3d. for children under 16, and 1s. for persons living otherwise than as members of households. These increases also applied to persons entitled to allowances because of distress caused by the war. The estimated cost of these increased allowances is estimated at about £900,000 a year.

When, in March 1940, the Old Age and Widows' Pensions Act made provision for the payment of supplementary pensions, in case of need, to pensioners over the age of 60, it also declared that no unemployment allowance should be granted to any persons eligible for such supplementary pension. When coverage under the unemployment insurance system was extended, as of September 2, 1940, to "nonmanual" workers whose income

was not more than £420 a year, it was also extended under the unemployment assistance system.

On November 6, the Prime Minister announced to the House of Commons the Government's intention to introduce legislation to meet complaints against the existing means test. The resources of members of the household, other than the householder and his wife and dependents, will no longer be considered as resources of the applicant; instead, a standard contribution by non-dependent members of the household will be assumed as part of the applicant's resources. If the applicant is living with relatives, the circumstances of the home will be taken into account in assessing need, but inquiry will be greatly reduced. No applicant without resources will be left dependent on other members of the household for means to buy clothing and other necessary personal items.

The average weekly amount paid out in unemployment allowances in Great Britain declined from £503,250 in August 1939 to £390,250 in October (table 2), despite the increasing unemployment in those 2 months. However, it rose to £517,000 by January 1940, an increase of 3 percent since August as against a 19-percent rise in registered unemployment (chart 1). Beginning with January, the amount declined rapidly despite the increase in the rates and coverage of the unemployment assistance system. While the average weekly amount of unemployment insurance benefits paid out rose rapidly after June, the amount expended on allowances dropped until September, when it reached £196,500, a figure less than two-fifths of the pre-war August amount and of the wartime high. In October it rose somewhat to £257,000. This situation obviously reflected the rising unemployment of the early months of the war and the decrease in unemployment at the turn of the year, as a consequence of the speeding up of the war effort.

The changing relationship between the average weekly expenditures for benefits and allowances cannot be fully explained on the basis of available information. However, it may well be that the extension of coverage of the insurance system relieved the pressure on the assistance program, while the dislocation of nonessential industries as well as the increase in air bombings of industrial plants increased pressure on both the assistance and insurance systems.

## Changes in Government Training Allowances

Faced with a rapidly shrinking labor supply under the pressure of increased production to meet wartime needs and the withdrawal of large numbers to the Armed Forces, the British Government early in the war resorted to the expansion of available training facilities in Government training centers, private plants, and technical colleges, and increased the training allowances for individuals undertaking training.

Ever since the end of the first World War, industrial training had been a factor in British governmental policy in dealing with the unemployment problem. In 1925, Government training centers were introduced on a limited scale, offering practical training in a number of trades in which there was a demand for workers. During the first months of the present war, they became an integral part of the Government war machine, concentrating on training semiskilled workers for vital war industries, particularly engineering and allied metal trades.

Persons admitted to these centers who were entitled to unemployment benefit or receiving unemployment allowances, continued to get them during training. In certain cases, men admitted for training but not eligible for benefit or assistance received allowances that put them on the same financial level as the others. These payments were supplemented by a training allowance calculated to leave the trainee 5s. a week for incidental expenses after payment of board and lodging. Extra provision was also made for the dependents of unemployed trainees.

After the collapse of France in May 1940, Great Britain faced greater demands on her productive capacity than had been anticipated; in addition, she had to replace the equipment lost in the evacuation of the British Expeditionary Force from the Continent, at a time when the air attacks on Britain became increasingly severe. To meet these demands industrial training was intensified, the number of centers was increased, and the conditions affecting admission revised. The centers were thrown open to men employed in nonessential employment, as well as to the unemployed, and the age limits were modified somewhat. The normal period of training was shortened from 6 to 4 months; shorter periods were provided in some instances when individuals showed adaptability and em-

employers were prepared to continue the training on their own premises.

As part of the new program and "with a view to removing hardship while men are going through the training period," a new schedule of training allowances was put into effect. Trainees not eligible for unemployment benefit were no longer required to meet a needs test and apply for assistance; they received training allowances. These allowances were increased so that trainees who have to live away from home while in training may have 6s. a week left over for personal expenses, after payment of board and lodging. Trainees with dependents to maintain at home receive additional allowances:<sup>7</sup> 27s. for a wife; 4s. for each of the first two children; and 3s. for each additional child. Trainees in receipt of unemployment benefit also receive an additional allowance to bring the total up to the scale of the training allowances. Those who exhaust their benefit rights while in training continue to receive allowances on the same scale until the end of their period of training.

Large numbers of skilled men were released by the Armed Forces for return to war industry, and in many occupations workers of given age-groups were "reserved" for industry. But, as Ernest Bevin, Minister of Labour and National Service, explained in a statement to the House of Commons in August, "it is by no means certain that the present balance as between industry and the Forces can remain undisturbed." The needs of an expanding, mechanized army and the demand for men for the Forces, both as tradesmen and for general service, are expected to withdraw many skilled workers from industry. To meet this additional pressure on the labor market, the Government has stimulated training in the Royal ordinance factories and the Admiralty, in the shops of employers, and in the technical colleges of the Nation. A program of short 8-week courses of technical training has been initiated at some 150 technical colleges, which are eventually expected to turn out about 50,000 trainees a year.

<sup>7</sup> Shipyard workers engaged in completing and repairing ships, who are transferred in the national interest to a district beyond daily travel distance from home, and who continue to maintain a home in the district from which they were transferred, receive—if they are married or are single and have similar responsibilities—an allowance of 3s. 6d. for each night they are retained in the area to which they have been transferred.

Men over 16 and women over 18 are eligible for admission and for Government training allowances. In addition, the Government has set up training arrangements in garages, maintenance shops, and other shops with unused capacity. When employers, in addition to undertaking the maximum amount of training required for their own needs, are willing to train additional workers for the Ministry of Labour, the Government furnishes the trainees through the employment exchanges and the employers furnish the instructors. The Government finances the plan by payment of training allowances to the workers and by reimbursing employers for salaries paid to instructors on the scale applicable at Government training centers. Moreover, when employers of toolroom craftsmen want to supplement their training in the floor of the shop by instruction in local technical institutions, the Government pays the training fee in approved cases; the employer, however, remains responsible for paying wages in such cases.

### Summary

When Great Britain entered the war, the temporary drop in employment caused by its dislocating effects was cushioned by the existing systems of unemployment insurance and assistance. To meet the further effects of rapidly moving events on the systems, broad emergency powers were given the Ministry of Labour to modify and suspend provisions of the laws, within certain limits. Moreover, Parliament passed new laws to meet new needs. The result was a substantial extension of coverage, a modification of eligibility provisions, substantial increases in benefits and allowances, and increased contributions. Further consequences have been a growing balance in the unemployment fund, which is expected to form a reserve to meet post-war contingencies, and a rapid decline in the amount expended on unemployment assistance. To round out the security system, the Government training program has been vitalized and extended. Thus, Great Britain has mobilized her entire employment security system, as part of her defense machinery, in organizing the Nation for the prosecution of the war.

# Movement of Workers Into and Out of Covered Employment, 1937 and 1938

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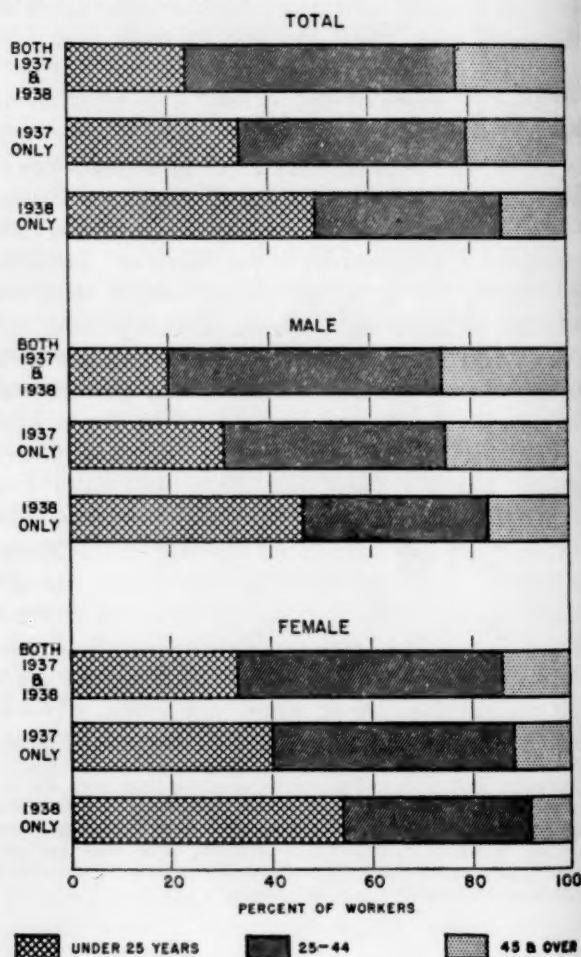
EMPLOYMENT AND WAGE STATISTICS compiled by the Bureau of Old-Age and Survivors Insurance reveal considerable movement of workers into and out of covered employment. Such movements take place constantly and are reflected both in employment data for a particular year and in data covering successive years. This article is confined to an analysis of the movements into and out of covered employment as between 1937 and 1938. The important movements within a year will be treated in a subsequent article.

During the first two years of operation of the old-age insurance program, 1937 and 1938, there were large groups of individuals who worked in covered employment in one year but not in the other. About 5.6 million, or 17 percent of the approximately 32.8 million<sup>1</sup> persons for whom taxable wages were reported in 1937, were not reported in 1938. In 1938 approximately 4 million persons, or 13 percent of the 31.2 million workers for whom taxable wages were reported, had no covered employment in the preceding year. About 9.6 million workers, therefore, were reported to have received taxable wages in only one of the two years; they constituted about 26 percent of the 36.8 million workers who received taxable wages either in 1937 or in 1938 or in both years. In addition to the 9.6 million individuals who were reported in covered employment only in 1937, or only in 1938, there were approximately 27.2 million workers who received some taxable wages during each of the two years (table 1). Individuals employed in both years constituted 83 percent of all workers for whom covered employment

was reported for 1937 and 87 percent of all workers for whom 1938 reports were made.

The tendency of workers to move into and out of covered employment presents an important problem in the operation of the old-age and survivors insurance program. Each year some workers will obtain covered employment for the first time while others will be separated from covered employment, either temporarily or permanently. Since insured status and the amount of

Chart 1.—Percentage distribution of workers with taxable wages in both 1937 and 1938, in 1937 only, and in 1938 only, by age and sex



\*Bureau of Old-Age and Survivors Insurance, Analysis Division. The authors wish to acknowledge their indebtedness to Herman Sturm, also of the Analysis Division, for assistance in the preparation of this article.

<sup>1</sup> Figures given in the text on the total number of workers are slightly larger than those in the accompanying tables, because of the fact that they include a relatively small number of employees who were excluded from the tables because their age, sex, and/or race were unknown or because they held railroad retirement account numbers. For the same reason, these figures differ slightly from those given in Corson, John J., "Characteristics of Employees Under Old-Age Insurance in 1938," *Social Security Bulletin* (December 1940), Vol. 3, No. 12, pp. 3-10, 70-76, which presents summary data on workers and their taxable wages in 1937 and 1938. (See also *Handbook of Old-Age and Survivors Insurance Statistics, 1938*, pp. XIX-XX.)

monthly benefits payable to the worker and to his family are based on the average monthly wage and the duration of covered employment, the large number of workers who appear to be without steady employment but are employed intermittently in covered occupations are at a disadvantage.

The size and composition of the labor force fluctuate with changing economic conditions. Technological changes, improvement or decline in industrial activity, and the constant variation in the number and composition of business units exercise an important influence over the number and characteristics of workers receiving taxable wages. In addition to the considerable number of workers who are more or less steadily employed, the labor force includes many groups of individuals—among others, housewives, young workers, and older persons—who for various reasons enter employment only at certain times, and frequently only for short periods. Moreover, every year a sizable group of new workers, especially young boys and girls, enters employment for the first time, either to replace older workers who die, retire, or leave their jobs, or to meet industry's expanding labor requirements. Some of the effects of changing business conditions upon the composition of the labor force are revealed by employment and wage data reported to the Social Security Board for 1937 and 1938. Although the extent of the "in-and-out" movement cannot be fully seen from data covering only the first two years of operation of the pro-

gram, and without an analysis of shifts taking place within particular years, as well as between successive years, the information available indicates some of the important aspects of the problems raised by shifts in employment.

#### *Differences in Characteristics of Workers Employed in Both Years and in One Year Only*

There are characteristic differences between the workers who received taxable wages in both 1937 and 1938 and those for whom reports were made for only one of these years. These differences are reflected in the age patterns, sex composition, and the amount of average taxable wages reported for the three groups.

Workers who received taxable wages in both years were on the whole older than either of the other two groups. About 22 percent of them were 45 years of age or more, as shown in table 1. Fifty-four percent were in the ages 25-44, and less than one-fourth were under 25 years. The higher proportion of older workers in the group employed in both 1937 and 1938 may be due to the fact that these workers were probably on the whole more skilled and experienced individuals and were employed in the more stable industries.

The 5.6 million workers who received some taxable wages in 1937 but not in 1938 were a heterogeneous group. The composition of this group can be better visualized if we analyze the possible reasons why these millions of workers earned taxable wages in 1937 but none in the next year. Some of these workers may have died during 1937.

**Table 1.—Old-age and survivors insurance: Number and percentage distribution of workers with taxable wages in both 1937 and 1938 and their total and average annual taxable wages in these years, by age and sex <sup>1</sup>**

[Corrected to Aug. 15, 1940]

Age group (years)	Number of workers	Taxable wages in—			Percentage distribution of workers	Average taxable wage in—		
		Both 1937 and 1938	1937	1938		Both 1937 and 1938	1937	1938
Total, all ages	26,962,455	\$53,041,252,176	\$27,658,593,388	\$25,382,658,788	100.0	\$963	\$1,025	\$940
Under 25	6,357,767	6,589,484,464	3,341,022,634	3,248,461,830	23.6	518	526	511
25-44	14,582,709	31,554,123,985	16,462,231,251	15,091,892,734	54.0	1,082	1,129	1,035
45 and over	6,051,979	14,897,643,727	7,855,339,503	7,042,304,224	22.4	1,231	1,296	1,164
Male, all ages	19,797,769	44,286,003,996	23,177,469,176	21,108,534,820	100.0	1,118	1,171	1,066
Under 25	3,960,578	4,477,391,867	2,291,546,585	2,185,845,282	20.0	565	579	552
25-44	10,788,331	26,333,795,969	13,768,310,653	12,565,485,316	54.5	1,220	1,276	1,165
45 and over	5,048,860	13,474,816,160	7,117,611,938	6,357,204,222	25.5	1,334	1,410	1,259
Female, all ages	7,194,686	8,755,248,180	4,481,124,212	4,274,123,968	100.0	608	623	594
Under 25	2,397,189	2,112,092,597	1,049,476,049	1,062,616,548	33.3	441	438	443
25-44	3,794,378	5,230,328,016	2,693,920,598	2,526,407,418	52.7	688	710	666
45 and over	1,003,119	1,422,827,567	737,727,565	685,100,002	14.0	709	735	683

<sup>1</sup> Data for 51 States. Excludes workers whose age and/or sex and race are unknown and those holding railroad retirement account numbers; total number of workers with taxable wages in both 1937 and 1938 was approxi-

mately 27.2 million. For taxable wages for these years, by 5-year age groups, see *Social Security Yearbook, 1939*, p. 59, table 11.

Others may have retired in the course of the year because they had sufficient savings, annuities, or insurance to retire voluntarily. Some may have been forced to retire because of ill health or disability. Still others may have been forced out of employment because of age. Another group may consist of women who quit their jobs because of marriage or maternity in the course of 1937. Others may have left covered employment and shifted into occupations excluded under the old-age and survivors insurance program. For instance, some workers may have opened small business establishments or may have entered farm employment or domestic service in private homes.

A large proportion of the 5.6 million workers who did not receive taxable wages in 1938, however, probably represented workers who lost their jobs and were not reemployed during the course of 1938. A certain number of persons are forced out of employment during each year because of technological displacement and mortality of firms and industries. Many of them remain unemployed for considerable periods of time, perhaps exceeding a year. The general decline in business conditions during 1938, as a result of which 1.6 million fewer persons than in 1937 were reported in covered employment, is responsible for the displacement of another large group of workers.<sup>2</sup> No attempt is made here to estimate the numbers involved in these various groups because, in most instances, the necessary data are lacking.

The group reported only in 1937 differs in age, sex composition, and average earnings from that employed in both years. Thirty-four percent were less than 25 years old, as compared with 24 percent of those who worked in both 1937 and 1938 (table 2). About 46 percent were between 25 and 44 years of age, and only 20 percent were aged 45 or more. This group also had a larger proportion of women than the group employed during both years—35 percent in contrast to 27 percent.

The average annual taxable wages of the workers reported in 1937 but not in 1938 were less than one-third of the average of those reported in both years—only \$296, as compared with \$983. For men the average was \$332 as compared with \$1,118, and for women, \$228 as compared with \$608.

<sup>2</sup> The decline in the total number of persons employed at some time in 1938 as compared with the number in 1937 may have been much greater than that indicated by the figures for covered employment because of the exclusions from old-age and survivors insurance.

**Table 2.—Old-age and survivors insurance: Number and percentage distribution of workers with taxable wages in 1937 only, and their total and average annual taxable wages, by age and sex<sup>1</sup>**

[Corrected to Sept. 15, 1940]

Age group (years) <sup>2</sup>	Number of workers	Taxable wages	Percent-age distribution of workers	Average taxable wage
Total, all ages.....	5,101,440	\$1,507,597,993	100.0	\$296
Under 25.....	1,740,540	317,910,693	34.1	183
25-44.....	2,319,308	708,441,031	45.5	305
45 and over <sup>3</sup> .....	1,041,592	481,246,269	20.4	462
Male, all ages.....	3,299,835	1,096,018,266	100.0	332
Under 25.....	1,019,258	190,839,705	30.9	187
25-44.....	1,452,076	478,288,102	44.0	329
45 and over <sup>3</sup> .....	828,501	426,890,459	25.1	515
Female, all ages.....	1,801,605	411,579,727	100.0	228
Under 25.....	721,282	127,070,988	40.0	176
25-44.....	867,232	230,152,929	48.2	265
45 and over <sup>3</sup> .....	213,091	54,355,810	11.8	255

<sup>1</sup> Data for 51 States. Excludes workers whose age and/or sex and race are unknown and those holding railroad retirement account numbers; total number of workers with taxable wages in 1937 but not in 1938 was approximately 5.6 million.

<sup>2</sup> Workers who received taxable wages in 1937 but not in 1938 were not tabulated by age. Age distribution of this group was derived by deducting from the 5-year age groups of approximately 32.5 million workers with taxable wages in 1937, corresponding age groups of the 27.2 million workers with taxable wages in both years. Remainders in each age group constituted age distribution of workers employed in 1937 only. However, since workers employed in both years were distributed into age groups on the basis of their age in 1938, it was necessary to adjust the ages of all workers who worked in 1937 by advancing them one year, to make the ages of the two groups comparable. As a result, workers who worked in 1937 only are also distributed on the basis of their age in 1938; i. e., workers shown here in the 15-19 year group for 1937 were actually aged 14-18 in that year. The procedure necessarily introduces a certain degree of error, which is reduced to a minimum by regrouping the ages into 3 intervals only.

<sup>3</sup> Includes some workers aged 65 or more whose wages, not taxable in 1937, were reported inadvertently.

Low average annual wages of workers employed only in 1937 may be due chiefly to the fact that many of them worked only a part of the year. They may have died, retired, shifted to non-covered employment, or become unemployed early in the year or in the middle of the year, or may have entered covered employment in the middle or toward the end of 1937. Therefore, the average wage may represent only short periods of employment during 1937. Additional, although perhaps less important, reasons may be found in the large proportion of young workers and women, and the undoubtedly greater proportion of intermittent workers, in the group employed only in 1937.

The 4 million individuals for whom taxable wages were first reported in 1938 differ in many important characteristics from both the 27.2 million persons who were reported for both years and the 5.6 million workers reported for 1937 only. They were, to a large extent, younger workers, many of whom may never have worked before. Forty-nine percent of them were under 25 years of age (table 3). In addition, there was

a sizable group of older workers—37 percent between 25 and 44, and 14 percent 45 years of age or more. Some of these workers may have been in noncovered employment or unemployed in 1937 and shifted to covered employment or become reemployed during 1938. The larger proportion of women among those employed only in 1938 than among workers who received taxable wages in both years—38 percent as compared with 27 percent—reflects primarily a difference between a group composed to a large extent of new entrants to industry and a group with a large proportion of regularly employed workers. Fifty-four percent of the women employed only in 1938 were less than 25 years of age, as compared with 33 percent at this age level among those women employed in both years. The former group includes many young women who will remain in industry only for a short period of time, until they leave their jobs because of marriage or maternity. There were considerable numbers of older women as well among those who received taxable wages in 1938 for the first time. About 38 percent were 25 to 44 years of age and 9 percent 45 years or more. These persons may have been out of the labor market in 1937 but entered or reentered employment in 1938 for various reasons, such as divorce, widowhood, or unemployment of husbands.

Average annual taxable wages of workers for whom taxable wages were reported for the first

**Table 3.—Old-age and survivors insurance: Number and percentage distribution of workers with taxable wages in 1938 only, and their total and average annual taxable wages, by age and sex<sup>1</sup>**

[Corrected to Aug. 15, 1940]

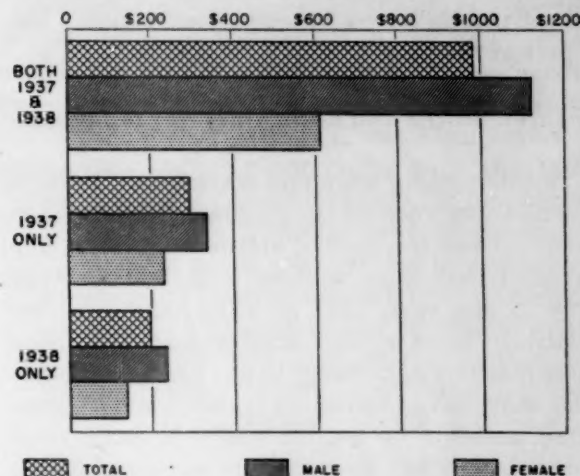
Age group (years)	Number of workers	Taxable wages	Percentage distribution of workers	Average taxable wage
Total, all ages.....	3,934,935	\$774,103,859	100.0	\$197
Under 25.....	1,938,873	244,170,358	49.2	126
25-44.....	1,460,150	370,018,105	37.1	253
45 and over <sup>2</sup> .....	535,912	159,915,396	13.7	298
Male, all ages.....	2,449,859	572,935,814	100.0	234
Under 25.....	1,139,232	153,699,034	46.5	135
25-44.....	902,914	282,814,684	36.9	313
45 and over <sup>2</sup> .....	407,713	136,422,096	16.6	335
Female, all ages.....	1,485,076	201,168,045	100.0	135
Under 25.....	799,641	90,471,324	53.9	113
25-44.....	557,236	87,203,421	37.5	156
45 and over <sup>2</sup> .....	128,199	23,493,300	8.6	183

<sup>1</sup> Data for 51 States. Excludes workers whose age and/or sex and race are unknown and those holding railroad retirement account numbers; total number of workers with taxable wages in 1938 but not in 1937 was approximately 4.0 million.

<sup>2</sup> Includes some workers aged 65 or more whose wages, not taxable in 1938, were reported inadvertently.

time in 1938 were very low—\$197 for the group as a whole, \$234 for men, and \$135 for women. Here again these low earnings may be attributable especially to entrance by workers into covered em-

**Chart 2.—Old-age and survivors insurance: Average annual taxable wages of workers employed in both 1937 and 1938, in 1937 only, and in 1938 only, by sex**



ployment for the first time in the middle of, or toward the end of, 1938, or to part-year employment. The large number of young workers and women in this group is also responsible for lowering the average. Probably many of the workers who were employed in 1938 only were persons whose regular occupations may be in excluded employment, but who may have worked short periods of time and earned small amounts in covered employment.

The significant difference between the average wages of the group employed in both years and those employed only in 1937 or 1938—\$983 as against \$296 and \$197, respectively—is striking enough to indicate some tentative conclusions regarding comparative regularity of employment. In spite of the important shifts into and out of covered employment which take place within each year, it is clear that the group reported both in 1937 and in 1938 comprises individuals who were more steadily employed within both years than individuals reported only in one of the two years. Of course, higher wage rates may have been partly responsible for the vastly higher average of the group employed in both years, and without doubt there were many cases in which individuals who were reported in covered employment in both years

earned most or all of their wages in a few months in each year. However, it is logical to assume, on the basis of these average wage figures, that this group consists by and large of more regularly employed workers. Conversely, as indicated above, the low average wages of the groups employed in only one year is probably attributable largely to the fact that considerable numbers of them received taxable wages for employment during only a part of the year.

### ***Insured Status and Continuity of Employment***

In interpreting wage and employment data for the first two years of the program from the viewpoint of workers' insured status, it must be kept in mind that some workers with taxable wages only in one year, 1937 or 1938, may have had relatively more regular employment, and hence more quarters of coverage in one year, than others who may have worked irregularly and received small amounts of taxable wages in both years. However, the fact that workers employed only in 1937 or only in 1938 lacked covered employment for at least one year, and the small amount of average annual taxable wages they received, point to certain difficulties which may arise in connection with their insured status.

In order to qualify for benefits as a fully insured individual, a worker must have at least half as many quarters of coverage as the number of elapsed quarters. A quarter of coverage is defined as a calendar quarter in which the individual has been paid not less than \$50 in "wages." Elapsed quarters include all calendar quarters in the working lifetime of an individual after 1936 excepting the quarters prior to and including the one in which he attained age 21, and excepting the one in which he died or in which he attained the age of 65, and subsequent quarters. Although the individual must have at least 6 quarters of coverage and, in general, half as many quarters of coverage as the number of elapsed quarters, he is fully insured at any time if he has 40 quarters of coverage. While a worker must be fully insured in order to qualify for benefits for himself and his dependents when he reaches 65, his survivors are entitled to benefits if he dies while he has currently or fully insured status. A currently insured individual is one who has 6 or more quarters of

coverage out of the 12 immediately preceding the quarter in which he dies.

To have attained insured status by January 1, 1940, when the old-age and survivors monthly benefit provisions went into effect, it was necessary for workers to have at least 6 quarters of coverage. Workers who received taxable wages in 1937 but not in 1938, or in 1938 but not in 1937, lost the opportunity of obtaining credit for at least 4 quarters of coverage. Obviously they would have to receive \$50 or more in at least 6 of the remaining 8 quarters before benefit payments could begin. In the case of individuals who are not near retirement age and who did not have insured status in 1940 because of late entrance into covered employment or because of intermittent work, the problem is not especially serious. They can achieve insured status and eligibility for old-age benefits if they obtain fairly regular employment in future years. However, if they should die before achieving fully or currently insured status, their survivors would not be eligible for benefits.

Workers who are nearing the age of 65, however, are in a more disadvantageous position than others if they do not have the necessary number of quarters of coverage. Deaths are more frequent at that age level, and old-age protection is a more immediate problem. Moreover, workers over 60 may have difficulty in obtaining regular employment if they do not already have steady jobs.

It is estimated that there were about 135,000 workers in the ages 60-64 among those employed in 1937 only, and about 57,000 among those employed in 1938 only. Their annual average taxable wages are estimated at \$388 and \$218, respectively. Obviously, many of these workers received amounts considerably below these averages. It is logical to assume that a large proportion of individuals who earned very low average wages did not have a sufficient number of quarters of coverage for insured status by January 1, 1940. Because the amount of the benefit is arrived at by a formula based on an individual's average wages in covered employment, many workers, although they may meet the requirements for quarters of coverage and become eligible for benefits, will nevertheless receive only the minimum benefit of \$10 a month because of their low earnings.

# Experience Rating in Wisconsin, 1940\*

*This article is the second of a series of analyses of experience-rating data received during 1940 from a number of State employment security agencies. An analysis of similar data for Nebraska appeared in the January Bulletin, and a summary of Indiana data will be carried in a subsequent issue.*

AT THE BEGINNING OF 1940, the third year for which employers obtained modified contribution rates under the experience-rating provisions of the Wisconsin unemployment compensation act, approximately 4,900 or 60.5 percent of the 8,100 experience-rating accounts eligible for rate modifications obtained rates of less than the standard 2.7 percent, while 600 accounts, representing 7.5 percent of the total, received rates higher than 2.7 percent. The remaining third received the standard rate. There were 3,600 additional employers in Wisconsin who were not eligible for rate variations, primarily because of the brief period during which they had been subject to the law, and who therefore paid contributions during 1940 at the 2.7-percent rate. It has been estimated that the revenue obtained from the contributions for 1940 of the former group of 8,121 employers would be about 20 percent less than in 1939, or 40 percent less than the amount which would have been obtained under a uniform 2.7-percent rate. Somewhat more than half of the aggregate 1940 pay roll of these employers was subject to contributions at the rate of 1 percent. It has also been estimated that the average contribution rate for 1940 of these 8,121 employers would be about 1.6 percent,<sup>1</sup> in contrast to the average rate of 2.0 percent in 1939, and that the average contribution rate for all subject employers in the State would be approximately 1.7 percent for 1940.

It may be noted, in this connection, that the balance in the State fund at the close of 1939 was in excess of \$50 million. Collections and interest during 1939 exceeded \$15 million, while benefit payments were slightly greater than \$3.5 million.

Data now available do not indicate conclusively that a direct relationship exists between size of pay roll and contribution rates, for, while a greater proportion of the employers with larger pay rolls obtained rate reductions than employers

with smaller annual pay rolls, the average annual pay roll of those accounts with the lowest rates was lower than the pay roll of accounts with highest contribution rates. As pointed out below, the experience of large and small employers is comparable only for employers with the same period of coverage under the law, for most small employers have had a shorter period of experience under it than is the case for larger employers. However, industries characterized by little fluctuation in levels of production and operations—such as banks, utilities, and trade groups—contain the largest proportion of employers obtaining rate reductions. In industries most subject to seasonal influences, such as construction, a large proportion of employers were assigned rates in excess of 2.7 percent. These data, however, do not indicate the extent to which reduced rates under the experience-rating provisions reflect employer efforts to stabilize employment. It should be noted, in this connection, that the amount of benefits charged to employers' accounts not only reflects the risk of unemployment to which employers in given industries were exposed but, in addition, the benefit structure of the unemployment compensation law.

About 11 percent of the 8,121 accounts, representing about 8 percent of the total pay roll of these accounts, were exempt from contributions for 1940, and an additional 49 percent were contributing at the 1-percent rate. In contrast, 7.5 percent of these 8,121 accounts, comprising 8.5 percent of the total pay roll, were contributing at higher than the standard rate (table 1). Both the accounts with 1-percent rates and those with increased rates had higher average annual pay rolls than accounts contributing at the standard rate, primarily because the standard rate applies to more than a thousand small employers whose recent coverage has not given them as much time as larger employers have had to build up the required reserves. The highest average pay roll applies to the accounts paying the 3.7-percent

\* Prepared in the Research and Statistics Division, Bureau of Employment Security.

<sup>1</sup> Estimates based on the assumption that 1940 pay rolls of these 8,121 employers would be identical with those for 1939.

contribution rate, and the lowest to accounts for which no 1940 contributions were payable.

Benefit payments during 1939 amounted to about \$29 for each \$100 of contributions for that year; benefits equaled 60 cents for each \$100 of pay roll, while contributions for the year were \$2 for each \$100 of pay roll. During 1938, when the average contribution rate was 2.7 percent, benefit payments equaled \$58 for each \$100 of contributions.

Year	Average contribution rate (percent)	Percentage change in average contribution rate from—	
		Preceding year	2.7 average
1938	2.7		
1939	2.0	-26	-26
1940	1.6	-20	-41

<sup>1</sup> Estimated.

### How 1940 Contribution Rates Were Determined

For each firm, a ratio known as a "reserve percentage" was computed as follows: the net reserve (i. e., the excess of cumulative contributions over cumulative benefits charged) in the individual employer account at the end of December 31, 1939, was divided by the 1939 pay roll, or the average of the 1938 and 1939 pay rolls, or three-fourths of the 1938 pay roll,<sup>2</sup> whichever was largest.

To qualify for a rate reduction, an account had to meet two conditions. If the employer's net reserve was at least 5 times the largest amount of benefits charged in either 1937, 1938, or 1939, and if, in addition, the reserve was at least 7.5 percent

<sup>2</sup> Under the terms of the statutory provision, in computing the average 1938-39 pay roll, an amount equal to one-half the employer's larger pay roll for either year included in such average is used as the pay roll for any year for which his actual pay roll was less than such amount.

of the employer's annual (or average annual) pay roll, he became eligible for a rate reduction. Unless both conditions were fulfilled, no reduction was allowed. If the reserve percentage was 7.5 percent or more, but less than 10 percent, the contribution rate was 1 percent; if 10 percent or more, no contribution was required.

If the reserve percentage was less than 4.0, an increased rate was assigned. If the reserve percentage was 2.5 or more, but less than 4 percent, the rate assigned was 3.2 percent; if it was less than 2.5 the rate was 3.7 percent.<sup>3</sup> However, if the 1939 contribution rate of an account with a reserve ratio of less than 2.5 percent had been 2.7 percent or less, no higher rate than 3.2 percent could be imposed for 1940. Employers with reserve percentages between 4.0 and 7.5 percent obtained the standard rate of 2.7 percent.

One reason why a high proportion of Wisconsin employers had attained the reserve ratios requisite for rate reductions is that many of these employers contributed at the 2.0-percent rate from July 1, 1934, to December 31, 1937, and at the 2.7-percent rate thereafter. In most other States employers' contribution rates were 0.9 percent in 1936 and 1.8 percent in 1937. Provided that no benefits had been charged to his account, a Wisconsin employer with a uniform pay roll from July 1934 would have had a reserve ratio of 12.4 percent at the close of 1939, while in most other States such a reserve ratio would have been 8.1 percent.

Under the terms of the Wisconsin law, benefits paid to an unemployed worker are charged to the reserve account of the employer for whom he had worked immediately prior to the current spell of

<sup>3</sup> During 1941 or thereafter, the 4-percent rate will be applied to employers with overdrawn accounts, except that no employer's contribution rate can be increased above 2.7 percent by more than 0.5 percent per year.

**Table 1.—Distribution of Wisconsin experience-rating accounts, their 1939 pay roll, and estimated contributions, by 1940 contribution rate <sup>1</sup>**

[Amounts in thousands]

Contribution rate (percent)	Accounts		1939 pay roll			Estimated contributions at —	
	Number	Percent	Amount	Percent	Average	1940 rates	2.7 rate
Total	8,121	100.0	\$501,987	100.0	\$73	\$9,503	\$15,984
0	903	11.1	49,415	8.3	55		1,334
1.0	4,009	49.4	324,349	54.8	81	3,243	8,758
2.7	2,603	32.0	167,846	28.4	64	4,532	4,532
3.2	381	4.7	27,335	4.6	72	875	738
3.7	225	2.8	23,042	3.9	102	853	622

<sup>1</sup> Data relate to employer accounts eligible for rate variations for 1940. As of Mar. 31, 1940, approximately 3,600 employers, in addition to 2,603 shown

above, were paying contribution rates at the standard rate of 2.7; these employers will not be eligible for rate variations until 1941, 1942, or 1943.

unemployment. If the worker remains unemployed after the total amount of benefits chargeable to that employer's account has been drawn, benefits are then chargeable to the reserve accounts of preceding employers. Should such an employer's reserve account be exhausted, benefits which the worker is still eligible to receive, on the basis of his past employment record, are charged to the so-called balancing (or pooled) account. This account is credited with interest earnings on money in the unemployment trust fund, interest on delinquent contributions, and, under certain conditions, balances remaining in the reserve accounts of employers no longer subject to the act; certain other revenues are also credited.

#### Analysis by Size of Firm and Length of Period Covered

There is a tendency for the proportion of accounts with reduced rates to increase as employers' pay rolls increase. As may be observed in table 2, from 51 to 60 percent of the groups of employers whose annual pay rolls were below \$20,000 obtained such reductions, as compared with 63 to 71 percent of the employers with pay rolls of \$20,000 or more. The proportion of employers with contribution rates of 2.7 percent is lower for employers with higher annual pay rolls than for employers with lower pay rolls. However, these data do not indicate a direct relation between size of pay roll and increased rates of contribution, since, as a result of the gradual extension of coverage to smaller employers, a relatively large proportion of employers in the smaller pay-roll groups obtained the 2.7-percent rate.

Of the 8,121 accounts eligible for rate modification for 1940, only 3,837 had been liable for benefit charges since July 1936, when benefit payments were initiated. As may be noted in table 3, 526 additional employers became liable for benefit charges in January 1937, 2,575 in January 1938, and 1,183 in January 1939. These differences in dates are attributable to changes in coverage, for the statute has successively extended coverage to employers with smaller numbers of workers. These provisions affected employers who were eligible for rate variation <sup>4</sup> at the end of 1939 as follows:

Number of workers and year of employment	Date liable for contributions	Date liable for benefits
10 or more during 1933.....	July 1934.....	July 1936.....
10 or more during 1934.....	January 1935.....	January 1937.....
8 or more during 1936.....	January 1936.....	January 1938.....
8 or more during 1937.....	January 1937.....	January 1939.....

As a result of the gradual extension of coverage under the Wisconsin law, a large proportion of the smaller employers (those with 8 or 9 workers) had not been subject to the statute long enough to have accumulated, by the close of 1939, a sufficient surplus of contributions over benefits to qualify for rate reductions. For the same reason, benefits had not been chargeable to their accounts for a period long enough to cause benefits to exceed contributions and thus lead to the assignment of an increased rate. This factor may help to explain why a relatively high proportion of the accounts with the briefest period

<sup>4</sup> Employers of 7 or more have been declared liable for benefits in January 1940 and those of 6 or more in January 1941, but none of these were eligible for rate variation during 1940.

Table 2.—Percentage distribution of Wisconsin experience-rating accounts, by 1940 contribution rate, for average annual pay-roll groups

Average annual pay roll <sup>1</sup>	Number of accounts	Percentage distribution by contribution rate							
		Total	2.7	Less than 2.7	More than 2.7	Reduced or increased rate			
						0	1.0	3.2	3.7
Total.....	8,121	100.0	32.0	60.5	7.5	11.1	49.4	4.7	2.8
Classified.....	8,119	100.0	32.0	60.5	7.5	11.1	49.4	4.7	2.8
Under \$5,000.....	739	100.0	36.8	61.4	11.8	22.6	28.8	7.3	4.5
5,000-9,999.....	1,393	100.0	37.0	55.1	7.9	10.7	44.4	5.7	2.2
10,000-19,999.....	2,130	100.0	34.7	60.2	5.1	11.2	49.1	3.4	1.7
20,000-29,999.....	1,058	100.0	29.6	64.5	5.9	10.8	53.7	3.4	2.5
30,000-39,999.....	686	100.0	29.6	63.7	6.7	10.9	52.8	3.5	3.2
40,000-49,999.....	390	100.0	25.1	66.4	8.5	8.7	57.7	5.7	2.5
50,000-99,999.....	834	100.0	26.6	64.2	9.2	7.1	57.1	5.1	4.1
100,000-999,999.....	793	100.0	27.0	63.2	9.8	7.3	55.0	6.0	3.8
1,000,000 and over.....	96	100.0	25.0	70.8	4.2	9.4	61.4	2.1	2.1
Not classified.....	2	100.0	100.0	0	0	0	0	0	0

<sup>1</sup> The "average annual pay roll" represents 1939 pay roll, average of 1938 and 1939 pay rolls, or three-fourths of 1938 pay roll, whichever was the largest.

**Table 3.—Distribution of Wisconsin experience-rating accounts by benefit-liability date <sup>1</sup> and 1940 contribution rate**

Benefit-liability date <sup>1</sup>	Accounts		Reduced rate		Standard rate		Increased rate	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total.....	8, 121	100.0	4, 912	60.5	2, 603	32.0	606	7.5
July 1936.....	3, 837	100.0	2, 714	70.7	854	22.3	269	7.0
January 1937.....	526	100.0	325	61.8	149	28.3	52	9.9
January 1938.....	2, 575	100.0	1, 528	59.3	812	31.5	235	9.2
January 1939.....	1, 183	100.0	345	29.1	788	66.7	50	4.2

<sup>1</sup> Relates to statutory changes in size-of-firm coverage (see text).

of coverage retained the 2.7-percent rate in 1940, and why accounts in the 2.7-percent rate bracket also had a lower average annual pay roll.

There are significant differences in the proportion of accounts obtaining modified rates in each of these groups. Thus, while 71 percent of the group with the longest period of coverage obtained rate reductions, such reductions were granted to only 62 percent of the next group, and 59 percent and 29 percent of the two following groups, respectively. Similarly, the proportion of accounts paying contributions at 2.7 percent declined as the period of benefit liability increased; the trend is not as clearly evident, however, with respect to the assignment of increased contribution rates.

An employer with a relatively low ratio of current benefits to contributions tends to accumulate an increasing "surplus" of contributions over benefits from year to year, which results in increasing the employer's reserve ratio and thus reducing his contribution rate. In contrast, an employer with a relatively high ratio of current benefits to contributions tends to experience a reduction from year to year in his reserve balance, which in turn reduces his reserve ratio. When a reserve ratio falls below 4 percent, an increased contribution rate<sup>5</sup> is assigned.

### ***The Effects of Voluntary Contributions***

Approximately 1,000 Wisconsin employers made voluntary contributions totaling \$355,480 for the year 1939 in order to improve their experience-rating records. These contributions represented 3 percent of the \$11,841,000<sup>6</sup> contributed by the 8,121 employers eligible for modified rates for 1940, under the requirements of the statute.

A large number of accounts had reserve ratios

barely above the level necessary to qualify for the 1-percent and zero rates, while a smaller number had ratios slightly below the level necessary to qualify for such rates.

Of the 940 accounts with ratios of 7.5 to 7.7 percent and 10.0 to 10.2 percent, approximately 60 percent had made voluntary contributions during 1939. Undoubtedly these accounts would have obtained higher rates upon the basis of their past contribution and benefit experience, had no voluntary contributions been made. It is also evident that accounts with reserve ratios barely above the level necessary for rate reductions had much higher pay rolls than accounts whose reserve ratios were just below the necessary level (table 4). Employers without funds available for voluntary contributions or without awareness of the statutory provisions are placed at a relative disadvantage at times when a voluntary contribution might enable them to obtain a reduced contribution rate. It would seem that smaller employers have been unable to take advantage of this provision to as great an extent as larger employers.

The proportion of voluntary contributions made by employers in given industries varied considerably (table 5). Thus while the voluntary contributions made by employers in the construction industry were 1.2 percent of their other contributions, in comparison with 3 percent for all employers in the State, voluntary contributions of employers in transportation, communication, and utilities were nearly 12 percent of their other contributions. For the other industries, with the exception of the service group, the proportion of all contributions was roughly similar to the proportion of voluntary contributions.

There is no indication that the ratio of voluntary contributions to all other contributions is directly related to the percentage of accounts obtaining rate reductions (table 6). The construction industry had both the lowest ratio and the smallest

<sup>5</sup> See above, p. 18.

<sup>6</sup> Total 1939 contributions including voluntary contributions for all employers in the State amounted to \$13,471,000.

percentage of employers obtaining rate reductions of all groups in the State. On the other hand, employers in transportation and utilities had a relatively high ratio of voluntary contributions to all contributions and a higher than average percentage of accounts with rate reductions. The high proportion of reduced rates in the case of trade and finance is not accompanied by a similarly high ratio of voluntary contributions to all contributions, probably because relatively fewer employers in these groups needed to make voluntary contributions in order to qualify for rate reductions. A conclusive explanation of this relationship would necessarily rest upon information regarding the contribution rates which employers would have been assigned had no voluntary contributions been paid, but such information is not now available.

### Industry Analysis

It is apparent from table 6 that there were significant differences in the average experience of the employers in different industry divisions, though even greater differences exist in the experience of individual employers within the same industry groups. Industries which are directly influenced by seasonal fluctuations have the lowest proportion of reduced contribution rates and the highest proportion of rate increases, while industries characterized by little fluctuation in levels of production and operations—such as utilities, banks, and printing and publishing—contain the largest proportion of employers obtaining rate reductions.

Manufacturing industries, with one-fourth of all employers and three-fifths of all pay rolls in the State, had been charged with \$31 of benefits

**Table 4.—Distribution of Wisconsin experience-rating accounts and their 1939 pay roll, by selected employers' reserve ratio <sup>1</sup>**

[Amounts in thousands]

Reserve ratio (percent) <sup>1</sup>	1940 contribution rate	Accounts		1939 pay roll		
		Number	Percent	Amount	Percent	Average
Total.....	-----	8,121	100.0	\$591,987	100.0	\$73
7.3 but less than 7.5.....	2.7	205	2.5	8,202	1.4	40
7.5 but less than 7.7.....	1.0	563	6.9	39,519	6.7	70
7.7 but less than 7.9.....	1.0	71	.8	1,971	.3	28
7.9 but less than 8.1.....	0	377	4.6	27,331	4.6	72
8.1 but less than 8.3.....	0	6,905	85.2	514,964	87.0	75

<sup>1</sup> Represents net reserve in account on Dec. 31, 1939, divided by average annual pay roll.

**Table 5.—Distribution of 1939 voluntary and all other contributions of Wisconsin experience-rating accounts, and ratio of voluntary to all other contributions, by industry**

[Amounts in thousands]

Industry	Contributions				Ratio (per- cent of vol- untary to all other con- tributions
	Voluntary		All other <sup>1</sup>		
	Amount	Percent	Amount	Percent	
Total.....	\$355	100.0	\$11,841	100.0	3.0
Construction.....	6	1.7	507	4.3	1.2
Manufacturing.....	215	60.6	7,921	66.9	2.7
Transportation, communication, and other public utilities.....	62	17.5	538	4.5	11.5
Wholesale and retail trade.....	52	14.6	1,838	15.5	2.8
Finance, insurance, and real es- tate.....	11	3.1	418	3.5	2.6
Service industries.....	9	2.5	536	4.5	1.7
Not elsewhere classified <sup>2</sup> .....	0	0	83	.8	0

<sup>1</sup> Total contributions of all employers for 1939, including those not eligible for rate variation, were \$13,471,000, including voluntary contributions.

<sup>2</sup> Includes agriculture, forestry, fishery, and mining.

for each \$100 of contributions credited as of the close of 1939 (table 6). Employers in the trade groups, representing nearly two-fifths of all employers but less than one-fifth of all pay rolls in the State, had been charged with less than \$12 in benefits for each \$100 in contributions. On the other hand, employers in the construction industry, who represented one-tenth of all employers in the State, were charged with over \$43 in benefits for each \$100 in contributions. Data covering the year 1939 indicate that the ratio of benefits to contributions for employers in this group was over 72 percent, and benefit payments constituted 1.8 percent of 1939 pay rolls (table 7). Industries characterized by low ratios of benefits to contributions had a high proportion of accounts with no benefits charged and a relatively low number of overdrawn accounts.

A comparison of the data on 1940 rate variations with similar data for 1939 indicates that a much higher proportion of all employers in manufacturing, transportation and communication, retail and wholesale trade, and finance and real estate obtained rate reductions in 1940 than in 1939. In contrast to these industries, the proportion of the employers in construction and in mining who obtained rate reductions in 1940 was approximately the same as in 1939. In both years, increased contribution rates were assigned to a far higher proportion of the employers in

**Table 6.—Distribution of Wisconsin experience-rating accounts, percent with reduced rates, with no benefits charged, and with accounts overdrawn, and ratio of benefits to contributions, by industry, as of Dec. 31, 1939**

Industry	Accounts		Percent of accounts—			Ratio (per cent) of benefits to contributions (cumulative)
	Number	Percent	With reduced rates	With no benefits charged	Overdrawn	
Total.....	8,121	100.0	60.5	25.8	2.0	24.8
Construction.....	746	9.2	23.9	11.1	5.4	43.2
Manufacturing.....	2,183	26.9	55.5	13.9	2.5	31.0
Transportation, communication, and other public utilities.....	327	4.0	63.3	26.6	2.4	8.5
Wholesale and retail trade.....	3,237	39.9	69.9	30.9	.4	11.9
Finance, insurance, and real estate.....	499	6.1	79.0	54.5	.6	3.7
Service industries.....	1,024	12.6	60.0	31.7	3.5	20.8
Not elsewhere classified <sup>1</sup> .....	105	1.3	41.0	22.9	7.6	31.8

<sup>1</sup> Includes agriculture, forestry, fishery, and mining.

construction and mining than in trade, transportation and communication, and finance.

The proportion of accounts with reduced rates in industries such as trade and finance, which are characterized by low average ratios of benefits to contributions, tended to increase in 1940 as compared with 1939. On the other hand, the proportion of accounts with increased contribution rates has tended to rise in the construction industry, which is characterized by a high ratio of current benefits to contributions. Experience is still too brief to determine whether or not this tendency will persist in the future. It is possible that the smaller amounts of contributions credited currently to the accounts of employers now enjoying rate reductions may, in some cases,

lower their reserve percentages to a level which will cause the assignment of higher rates of contributions in a subsequent year.

*Trade.*—Nearly 70 percent of the 2,000 employers in the trade groups obtained rate reductions in 1940, as compared with 60 percent of all employers in the State, and only 2 percent of the employers in this group received contribution rates in excess of 2.7 percent, in contrast to the 7 percent shown for all employers in the State. In general, although about \$25 in benefits was charged for each \$100 in contributions credited in the State, firms in the trade groups were charged with less than \$12 per \$100 of contributions. Furthermore, about 31 percent of all employers in this group had no benefits charged to their accounts, as compared with slightly less than 26 percent for all employers in the State (table 8), and the number of these employers with overdrawn accounts was about 9 percent of all employers with overdrawn accounts.

Although, in a few respects, the record of wholesale distributors was less favorable than that of certain retail groups—such as retail food, automobile, and general merchandise—the record of all wholesalers in Wisconsin was somewhat more favorable than was that of all retailers. The more favorable record of wholesalers may be explained in part by the fact that local fluctuations in business conditions, which affect retailers directly, do not have as marked an influence on wholesalers, who operate in a wider market. Retailers are also more directly influenced by seasonal fluctuations than are wholesalers.

In the retail groups which had between 300

**Table 7.—Distribution of 1939 benefits, contributions, and pay roll of Wisconsin experience-rating accounts, and ratios of benefits to contributions, and of benefits to pay roll, by industry, as of Dec. 31, 1939**

[Amounts in thousands]

Industry	1939 pay roll		Amount of 1939 contributions <sup>1</sup>	Amount of 1939 benefits	Ratios (percent)		
	Amount	Percent			1939 contributions to 1939 pay roll	1939 benefits to 1939 pay roll	1939 benefits to 1939 contributions
Total.....	\$591,987	100.0	\$11,841	\$3,432	2.0	0.6	29.0
Construction.....	20,158	3.4	507	367	2.5	1.8	72.3
Manufacturing.....	358,867	60.6	7,921	2,167	2.2	.6	27.4
Transportation, communication, and other public utilities.....	43,490	7.3	538	130	1.2	.3	24.1
Wholesale and retail trade.....	112,446	19.0	1,838	457	1.6	.4	24.9
Finance, insurance, and real estate.....	25,901	4.4	418	37	1.6	.1	8.8
Service industries.....	27,373	4.6	536	245	2.0	.9	45.6
Not elsewhere classified <sup>1</sup> .....	3,933	.7	83	29	2.0	.7	36.2

<sup>1</sup> Total contributions of all employers for 1939, including those not eligible for rate variation, were \$13,471,000, including voluntary contributions.

<sup>2</sup> Includes agriculture, forestry, fishery, and mining.

and 400 individual reserve accounts, there were no accounts in which benefits charged exceeded credited contributions, while 0.1 percent of all retail accounts were overdrawn. Over a longer period of time, however, some of the retail groups which now contain no overdrawn accounts may be found to include accounts for which benefits charged exceed the amount of contributions credited. Similarly, only in retail apparel does the proportion of accounts with no benefits charged fall markedly below 30 percent; the percentage for all accounts in the State was 26.

Although, as mentioned above, differences in periods of coverage make the interpretation of variations in the experience of accounts within industry groups rather difficult when they are classified by size of annual pay roll, the experience of accounts with pay rolls in excess of \$20,000 can be regarded as fairly comparable, since most of these accounts have been subject to the law for an equal period. Examination of the experience of this group of employers with modified rates indicates that the proportion obtaining rate reductions tended to increase with increases in the size of their annual pay roll. Less than 70 percent of the accounts in wholesale trade with pay rolls from \$20,000 to \$30,000 obtained rate reductions, while reduced rates were obtained by about 80 percent of those with pay rolls in excess of \$40,000, and more than 90 percent of those with pay rolls of \$50,000 or over. In retail trade, the contrast is not quite as clear, but the data indicate that fewer than 77 percent of all accounts with pay rolls under \$40,000 received rate reductions, as compared with 86 percent of those with pay rolls of \$40,000 to \$49,999, 80 percent with pay rolls of \$50,000 to \$99,999, and 87 percent of those with pay rolls of \$100,000 or over.

While contribution rates in excess of 2.7 percent were assigned to 2.2 percent of all accounts in the trade groups, only among wholesale distributors and the "all other" classification did the number of accounts with increased rates exceed 4 percent of all accounts in such groups.

As has been mentioned, the ratio of voluntary contributions made by employers in the trade groups to all other contributions was not quite as high as was the case of all employers in the State. The high ratio for retail general merchandisers is probably attributable to the voluntary contributions of large amounts made by a number of

department stores interested in obtaining more substantial rate reductions.

*Manufacturing.*—The proportion of manufacturing employers obtaining reductions and increases in their contribution rates bears some resemblance to the distribution of all employers in the State. While the percentages of all employers in the State obtaining reduced, standard, and increased rates were 60.5, 32.0, and 7.5 percent, respectively, the corresponding figures for manufacturing were 55.5, 36.7, and 7.8 percent. However, manufacturing employers did experience a less favorable record with respect to benefits charged as compared with all employers in the State, for \$31 in benefits was charged to their accounts for each \$100 of contributions, in contrast to less than \$25 for all employers in the State (table 8). On the other hand, nearly 26 percent of all employers in the State had no benefits charged to their accounts, in contrast to 14 percent for manufacturing employers.

Although it has been found that no direct relationship exists between an employer's ratio of benefits to contributions and his contribution rate, there appears to be a fairly close correspondence between relatively high ratios of benefits to contributions and increased contribution rates for certain industry groups. Thus, while 7.8 percent of all manufacturing employers had increased contribution rates for 1940, 8.6 percent of these employers had been charged with at least \$60 in benefits for each \$100 of contributions by the close of 1939. The same relationship appears to exist in the case of employers in the food, textile, paper, and publishing groups. It is significant to note that in industries such as food, paper manufacturing, and printing and publishing, where regularity of employment is a characteristic pattern, the percentage of firms with increased rates of contributions does not rise above 6 percent, and, similarly, less than 7 percent of the firms have ratios of benefits to contributions in excess of 60 percent. In contrast to these, more than 22 percent of the textile and automobile manufacturing employers obtained increased contribution rates, while more than 24 percent had ratios of benefits to contributions in excess of 60 percent.

While all manufacturing employers' contributions were \$2.20 per \$100 of pay roll, the benefits charged to their accounts during 1939 amounted to 60 cents per \$100 of pay roll, or less than

one-third of that figure (table 7). Although contributions at the figure cited represented an average reduction of more than 18 percent from a uniform 2.7-percent rate, the amount of benefits charged during 1939 was so low, relatively speaking, as to indicate that contribution rates will probably decline further in 1941 if the ratio of benefits to contributions remains unchanged during 1940.

In individual industry groups such as paper manufacturing, in which the average contribution rate was only 1.3 percent, benefit payments during that year amounted to only 0.5 percent of pay roll. On the other hand, the average contribution rate of automobile manufacturers was 3.2 percent while the benefit payments charged to the accounts of such employers were 1.5 percent of their pay roll. Although a further decline in the average contribution rate may be expected in the paper-manufacturing industry, a decline is not so likely to occur in the case of employers in the automobile industry.

Unlike the situation with respect to trade groups, in which the proportion of accounts with reduced rates tended to increase with increases in the size of annual pay roll, no such relationship appears to exist with respect to the manufactur-

ing groups. However, it may be noted that rates in excess of 2.7 percent were assigned to nearly 8 percent of all manufacturing accounts, and approximately 56 percent obtained rate reductions. About 23 percent of the accounts in the textile-manufacturing groups received increased rates as compared with 37 percent obtaining rate reductions; increased rates were assigned to nearly 5 percent of those in machinery manufacturing (except electrical machinery), while 50 percent obtained reduced rates. In the automobile, furniture, and lumber-manufacturing groups, the variations in individual experience were also clearly marked. On the other hand, no accounts in the printing and publishing group and less than 4 percent of those in the nonferrous metals, chemicals, and paper-manufacturing groups received increased rates.

*Other industries.*—As has been indicated, the experience of the construction industry has been characterized by a high ratio of benefits to contributions and a low proportion of accounts obtaining rate reductions. The proportion of accounts with increased rates rose between 1939 and 1940, while those with reduced rates remained almost stationary. In contrast to this experience, firms in transportation and utilities and finance, es-

**Table 8.—Number and percent of Wisconsin experience-rating accounts, percentage distribution by 1940 contribution rates, ratio of benefits to contributions, percent of accounts with no benefits charged, and percent overdrawn, and ratio of voluntary to all other contributions, by selected industry, as of Dec. 31, 1939**

Industry	Number of accounts	Percent of accounts with—			Ratio (percent) of benefits to contributions (cumulative)	Percent of accounts—		Ratio (percent) of voluntary to all other contributions, 1939
		Reduced rates	Standard rate	Increased rates		With no benefits charged	Overdrawn	
All industries.....	8,121	60.5	32.0	7.5	24.8	25.8	2.0	3.0
Wholesale and retail trade, total.....	3,237	69.9	27.9	2.2	11.9	30.9	.4	2.8
All wholesalers.....	898	70.8	26.4	2.8	9.5	33.2	1.1	3.0
Wholesale merchants.....	551	73.9	24.5	1.6	7.8	29.2	.3	2.9
Wholesale distributors.....	347	66.0	29.4	4.6	11.6	39.5	2.3	3.1
All retailers.....	2,026	68.9	29.1	2.0	13.2	30.2	.1	2.7
Retail general merchandise.....	212	83.0	16.5	.5	18.3	29.7	0	3.7
Retail food (includes liquor stores).....	320	73.8	25.3	.9	8.0	31.9	0	1.9
Retail automotive.....	338	73.1	26.6	.3	11.2	29.6	0	2.2
Retail apparel and accessories.....	294	62.6	34.0	3.4	15.2	18.7	1.0	2.7
Retail trade, not elsewhere classified.....	487	65.9	32.9	1.2	13.0	30.6	0	2.4
All other.....	375	61.6	33.1	5.3	9.4	38.4	0	2.9
Other wholesale and retail trade.....	313	74.4	24.3	1.3	11.1	28.1	.3	2.3
Manufacturing, total.....	2,183	55.5	36.7	7.8	31.0	13.9	2.5	2.7
Food and kindred products.....	511	68.5	25.6	5.9	16.1	19.8	2.3	5.1
Textile-mill products.....	57	36.8	40.4	22.8	36.8	8.8	7.0	1.8
Lumber and timber basic products.....	137	45.3	43.8	10.9	28.7	11.0	2.9	4.2
Furniture and finished lumber products.....	159	49.1	42.1	8.8	24.0	10.1	2.5	1.7
Paper and allied products.....	96	84.4	12.5	3.1	6.1	9.4	0	3.6
Printing, publishing, and allied industries.....	232	79.3	20.7	0	9.0	27.2	0	2.3
Chemicals and allied products.....	68	70.6	26.5	2.9	19.8	22.1	0	19.3
Leather and leather products.....	95	44.2	42.1	13.7	25.6	8.4	4.2	7.4
Iron and steel and their products.....	201	35.3	59.7	5.0	31.3	5.5	.5	.8
Nonferrous metals and their products.....	60	50.0	48.3	1.7	24.6	13.3	0	.6
Electrical machinery.....	47	34.0	59.6	6.4	30.4	8.5	4.2	3.2
Machinery (except electrical).....	233	49.8	45.5	4.7	37.6	7.7	.4	1.7
Automobiles and automobile equipment.....	33	21.2	54.6	24.2	71.7	3.0	6.1	.1
All other.....	254	41.7	39.4	18.9	41.1	11.8	7.5	4.6

pecially the latter, had lower ratios of benefits to contributions than was the case for all employers in the State; nearly 80 percent of the employers in the finance group obtained rate reductions during 1940.

Fewer than 2 percent of all accounts in finance were charged with \$60 of benefits for each \$100 of contributions as compared with 18 percent of construction accounts. On the other hand, 47 percent of construction accounts were charged with less than \$20 in benefits for each \$100 in contributions as compared with nearly 93 percent for accounts in finance and 82 percent for accounts

in transportation and utilities. Specifically, no bank or trust company and only three gas and electric utility firms had ratios of benefits and contributions in excess of 20 percent; benefits charged to employers in these groups during 1939 equaled only 0.5 percent of pay roll for that year. On the other hand, nearly 35 percent of all general contractors (other than building) had ratios of benefits to contributions in excess of 60 percent; for 13 percent of them, benefits exceeded contributions; 1939 benefits charged to accounts in this group equaled 3 percent of their 1939 pay roll, while contributions were only 2.4 percent of pay roll.

# Social Characteristics and Employment Status of Urban Workers

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IN THIS ARTICLE, the first of a series on the family composition and income of persons in the labor market, consideration will be given to the age, sex, and employment status of such persons according to their marital status and the type of household<sup>1</sup> in which they live. Information on these factors is available from the family composition study, which is based on data from the National Health Survey of 1935-36. Of the 1.9 million urban adults<sup>2</sup> canvassed, 57 percent were in the labor market<sup>3</sup>—that is, they were either currently occupied in regular employment, employed at work relief, or seeking work—at the time of the survey.

Definitions used by the National Health Survey<sup>4</sup> in enumerating persons in the labor market were as follows: persons reported employed on the day that the household in which they lived was enumerated included those engaged in gainful employment whether or not at usual occupation and whether the wages were in money or kind; persons not actually working on the day of the visit—for such reasons as illness, temporary disability, vacation, or a strike—but who had a job to which they would return; persons not actually working on the day of the visit because their work was part-time or irregular; and workers on PWA, CCC, and nonrelief positions in the WPA. Persons reported employed at work relief included persons receiving relief on the day of the visit in

the form of wages for duties performed; these were individuals taken from the relief rolls and paid at security rates. Persons reported as seeking work included those without a job on the day of the visit, but who were seeking work, were expecting to seek work, or would obtain work whenever it was available; also persons who had never worked, if they were at that time looking for work.

The application of the findings from the survey is limited by the effects of the changes in employment opportunities which have since taken place. The influence of these changes is probably most marked in the proportion of families that are in multi-family households and in the proportion of persons in the labor market. Nevertheless, the interrelationships of the factors of marital status, sex, employment status, and household type may be of social and economic interest at the present time.

Another limitation of these data is the evidence of some understatement of the number of job seekers among women who were not actually employed at the time of the canvass.<sup>5</sup> The magnitude of this error cannot be determined, but the error may be responsible in some measure for the lesser proportion of job seekers among women in general and particularly among married women. It is also possible that the relationship between household type and employment status of women may be somewhat colored by this error.

## Proportion of Gainful Workers

Almost nine-tenths of the men in the urban population included in the family composition study, and three-tenths of the women, were reported to be in the labor market (table 1). The ratio of gainful workers to all persons at a given age level was highest for men in the age group

\* Bureau of Research and Statistics, Division of Health and Disability Studies. This article, the tenth in a series, is based on findings from the study of family composition in the United States, which utilizes data from schedules of the National Health Survey and is conducted as Work Projects Administration Project No. 165-2-31-42 under the supervision of the Bureau of Research and Statistics. Data are preliminary and subject to revision.

<sup>1</sup> Households are classified as single-family or multi-family according to whether the household consists of one or more than one bio-legal family. A bio-legal family is so defined as to make it possible to identify, within a household, the members of the family whose relationship to the head, by blood or law, constitutes a legal claim on him for support; it includes (a) one or both spouses and their unmarried children, if any, including adopted or foster children, living together as a family unit; (b) unmarried sisters and brothers, including adopted or foster brothers and sisters, living together as a family unit; or (c) persons living in extra-familial groups or by themselves, who are considered as separate one-person families.

<sup>2</sup> For purposes of this study, an adult is defined as a person aged 16 or over.

<sup>3</sup> Of the total U. S. population of 1930 in ages 16 and over, 57 percent were reported as gainfully occupied. *Fifteenth Census of the United States: 1930, Population*, Vol. IV, p. 40.

<sup>4</sup> "Manual of Composite Instructions."

<sup>5</sup> See National Health Survey: 1935-36, *Characteristics of the Urban Unemployed*, Population Series, Bulletin D, U. S. Public Health Service (1938), p. 8: "While enumerators were instructed to enter as workers all who were engaged in gainful work or seeking work, it is entirely possible that many or even most enumerators felt there should be a homemaker in all or nearly all families although the instructions gave no indication that such need be the case. The existence of this situation would operate to reduce the number of women seeking work . . ."

25-44 and for women in the youngest age group, 16-24. About 68 of every 100 men in ages 16-24 were in the labor market, about 98 of every 100 in ages 25 to 59, and about 50 of every 100 in ages 65 and over. The proportion of women in the labor market decreased progressively with age, from a high of 46 out of every 100 women in ages 16-24 to a low of 6 out of every 100 aged 65 or over. This decline in the proportion of women workers as they advance in age may be due in part to a change in their marital status, and for women with children, in part to the fact that their children are older and have entered the labor market.

*Age distribution of gainful workers.*—For each sex, approximately half of the total number of gainful workers were between 25 and 44 years of age (table 1). On the other hand, although men and women aged 16-45 were found in approximately equal proportions in the total urban sample, 82 percent of women workers and only 66 percent of men workers were under 45.

*Household type.*—The data on gainful workers have been examined to determine whether the organization of the households in which the indi-

viduals live is a differential factor in the proportion of persons in the labor market and in their employment status. Households consisting of only one bio-legal family (single-family households) included two-thirds of the adults in the urban sample but only somewhat more than one-half of the gainful workers. The fact that relatively more of the adults are gainful workers in multi-family households is largely attributable to the greater proportion of women workers in those households.

Single-family households have a slight excess of adult men and a slightly greater proportion of men in the labor market; the multi-family households have some excess of women and a markedly higher ratio of women workers to all women. No doubt, the higher proportion of children, especially young children, per adult in the single-family household is in a large measure responsible for the proportionately fewer women workers in single-family households.

The ratio of men workers to all men was slightly higher for single-family than for multi-family households (table 1 and chart 1). The differences in the ratios became more pronounced when the

**Table 1.—Persons 16 years and over in the labor market as percent of all adults, by age and sex, and percentage distribution by age and sex according to type of urban household**

[Preliminary data, subject to revision]

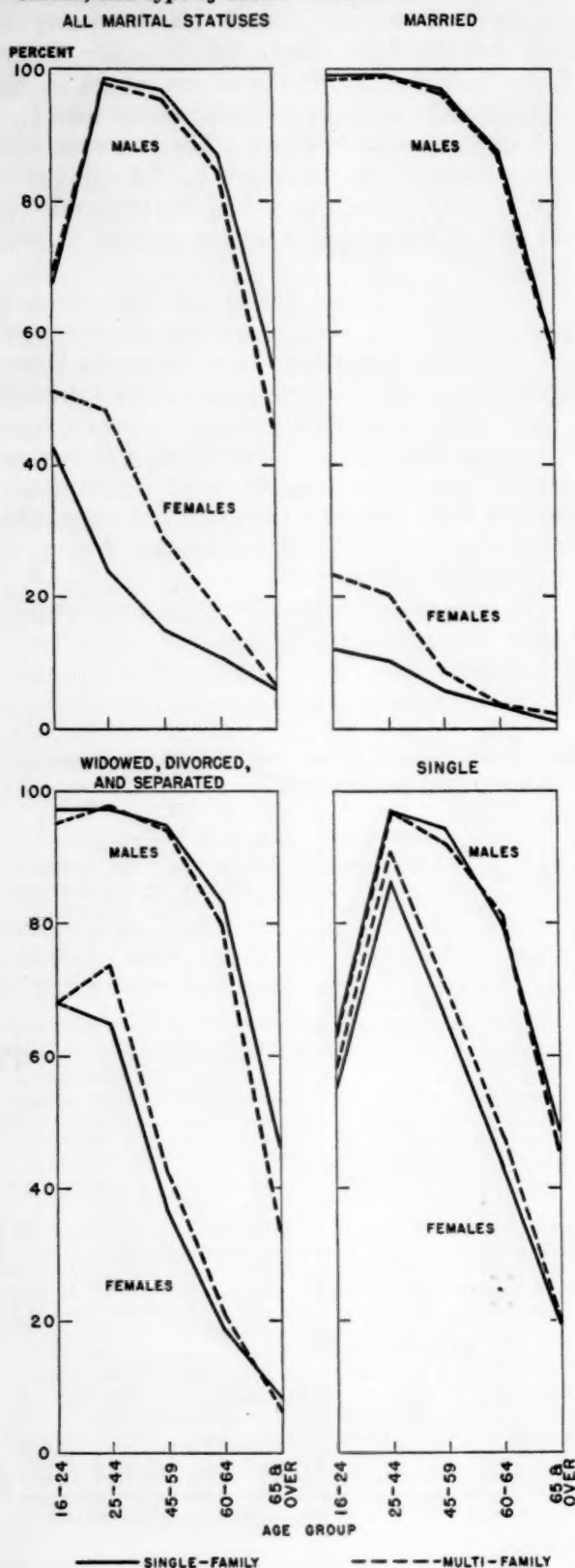
Age of person (years)	Persons in labor market as percent of all adults			Percentage distribution of persons in labor market				
				By age			By sex	
	Total	Male	Female	Total	Male	Female	Male	Female
<b>All households</b>								
16 and over <sup>1</sup>	56.9	87.6	29.4	100.0	100.0	100.0	72.8	27.2
16-24	55.8	67.9	45.6	21.2	16.3	34.4	55.8	44.2
25-44	63.2	98.6	31.4	49.2	49.9	47.3	73.8	26.2
45-59	57.0	96.4	19.8	22.2	25.2	14.0	82.8	17.2
60-64	47.9	86.3	13.9	3.7	4.3	2.1	84.6	15.4
65 and over	26.1	50.4	6.4	3.5	4.2	1.8	86.4	13.6
<b>Single-family households</b>								
16 and over <sup>2</sup>	55.9	88.5	24.9	100.0	100.0	100.0	77.1	22.9
16-24	54.6	67.6	42.9	21.6	16.5	39.1	58.6	41.4
25-44	59.4	98.8	23.9	49.1	50.1	45.4	78.8	21.2
45-59	57.2	96.8	14.8	22.6	25.7	12.3	87.5	12.5
60-64	49.7	87.1	10.8	3.5	4.0	1.6	89.3	10.7
65 and over	30.8	54.7	6.0	3.1	3.6	1.3	90.4	9.6
<b>Multi-family households</b>								
16 and over <sup>3</sup>	59.0	85.5	37.7	100.0	100.0	100.0	64.5	35.5
16-24	58.5	68.7	50.9	20.5	16.0	28.7	50.3	49.7
25-44	72.0	98.2	48.5	49.3	49.2	49.6	64.3	35.7
45-59	59.2	95.5	29.0	21.3	24.2	16.0	73.3	26.7
60-64	45.3	84.9	17.7	4.2	5.0	2.7	77.0	23.0
65 and over	21.5	44.9	6.7	4.3	5.4	2.4	80.8	19.2

<sup>1</sup> Includes 3,560 persons of unknown age.

<sup>2</sup> Includes 1,661 persons of unknown age.

<sup>3</sup> Includes 1,890 persons of unknown age.

**Chart 1.—Persons aged 16 years and over in the labor market as percent of all adults, by sex, age, marital status, and type of urban household**



factor of age was considered. The percentages of workers in the two types of households were in close agreement for ages 25-44, but thereafter the differences widened progressively, so that, for the age group 65 and over, 55 percent of the men in single-family households were in the labor market and 45 percent of the men in multi-family households. In some measure this progressive widening may be attributed to the fact that, in any given age group, men in multi-family households have a higher average age than those in single-family households. This situation holds particularly for men aged 65 and over.

In each type of household the percentages of gainful workers among women declined sharply with increasing age. This decline is largely the reflection of a change in the marital status. Proportionately fewer married women were reported in the labor market.

Comparison of the percentages of women workers in single and multi-family households shows a striking difference for the two types. In each age group the proportion of workers was greater for multi-family than for single-family households. Among women aged 25-64, only one-fifth of those in single-family households were in the labor market, in contrast to two-fifths of those in multi-family households. Among aged women, the percentages were about the same for both types of households.

That the proportionate difference between single-family and multi-family households in numbers of gainful workers should be greater for women than for men is not surprising in view of the higher proportions of women with children in single-family households. But that other considerations are also involved becomes evident upon examination of the magnitude of the differences. These findings add force to the conclusion advanced in an earlier article that consolidation of bio-legal families into multi-family households is an adaptive response to economic pressures. Two or more unrelated families may live together to cut expenses. A family may take in boarders to obtain more income. Aged, widowed, or disabled parents may move in with their children, who are householders, or one family with low earnings or low earning potentialities may move in with another family with high earning potentialities and take over household duties, thus enabling the others more readily to become part of the labor force. The need for earnings to sup-

plement the income of the principal wage earner is relatively greater among families in multi-family units than among those in single-family units, in which there is a more direct obligation on the head of the family to support all members of the family and greater deterrents to having some members, especially the women, become part of the labor force.

### **Marital Status of Gainful Workers**

For both sexes, but obviously to a greater degree for women, the proportion in the labor market was influenced by marital status (table 3). The largest proportion of male workers was found among the married men (95 percent), the smallest among single men (75 percent). The percentage of widowed, divorced, or separated men in the labor market was almost as low as that of the single men (77 percent). Among women the lowest proportion of gainful workers was found among the married (11 percent) and the highest among the single women (65 percent), while 38 percent of the widowed, divorced, and separated were in the labor market.

*Marital status and age.*—A higher proportion of workers among married men was found for each age group. The differences according to marital status were slight, however, except in the youngest age group, in which 99 percent of the married men and 63 percent of the single men were in the labor market. In the age group 16-24, probably most of the married men and only somewhat less than half of the single men were between the ages of 21 and 24. The older mean age of married men under 25 is undoubtedly responsible in a measure for the higher percentage of workers. Marriage itself indicates the assumption of responsibility, and, even if the age factor were completely accounted for, a marked association is to be expected between marital status and participation in the labor market.

Among men aged 25-44, the proportion of workers ranged from 97 percent of the single men to 99 percent of the married men. With advancing age, the percentages decreased and the range became progressively wider.

Among men aged 65 and over, there were fewest gainful workers among the widowed, divorced, and separated (37 percent) and most among the married (57 percent). At this end of the age scale, also, the age interval is too broad to show

the variations with respect to marital status, independent of age. Except for this group, the proportion of workers among single men aged 16-24 was the lowest observed.

The fact, already noted, that single women had the highest concentration of gainful workers, and married women the lowest, held for each age group except the youngest, 16-24. In this group there were more workers among the widowed, divorced, and separated women. This variation in the ranking of the relative concentration of workers in the respective marital-status groups may be due in part to the higher average age of widowed, divorced, and separated women than of single women aged 16-24; but more particularly it may indicate the response to the greater need for self-reliance among the divorced and separated.

For women under 45 years of age, the ratios of widowed, divorced, and separated persons in the labor force to all women of that marital status were similar to the corresponding ratios for single women. Among persons aged 60 and over, the ratios for widowed, divorced, and separated women were closer to those for married women, although the range was wide.

*Marital status and household type.*—The organization of the household also affects more closely the entrance of women into the labor market than of men. There were relatively more workers among men in single-family households, group by group, than in multi-family households. Among women, on the other hand, the percentages of workers were higher throughout for groups from multi-family households, except for widowed, divorced, or separated women aged 16-24 and 65 or over. The differences in the percentages were greatest among married women and least among single women (see chart 1). In the age groups 16-24 and 25-44 the proportion of married women in the labor market was about twice as large for multi-family as for single-family households. The differences diminished with age, suggesting that caring for young children was the major differential factor.

### **Employment Status of Persons in the Labor Market**

The discussion thus far has been concerned with social characteristics of persons in the labor force. Data on the employment status of the 1,056,297 persons in the urban labor market are presented in

tables 2 and 3. It should be remembered that the data for this study were collected by a house-to-house canvass during 1935-36; the major portion of the households were canvassed during the winter months. Therefore, the unemployment rates given reflect the situation of the labor market as of that time. It is believed, however, that the relative risks of unemployment among persons of each age group, sex, and marital status and from households of differing structure have some permanency independent of time. If this assumption is warranted, an analysis of these relationships is instructive, despite the time lapse.

About one-sixth of the urban labor force was reported as seeking work during the winter of 1935-1936.<sup>6</sup> An additional 5 percent were employed on work relief, and 78 percent were employed—that is, engaged for profit or pay at work other than work relief (table 2). The relative difficulty of obtaining work encountered by the young and the aged is readily apparent. In the age group 16-24, which has the largest proportion of new workers, only 66 of every 100 gainful workers were em-

<sup>6</sup> Since seasonal patterns of employment may be somewhat different for individuals differentiated according to age, sex, etc., it is important to remember that the study was made in the winter and early spring months.

ployed and 30 were seeking work. In the group aged 25-44—generally considered the most productive years—almost 84 of every 100 persons in the labor market were employed and only 11 were looking for work. Of every 100 gainful workers aged 60 or over, about 72 were employed and about 22 were seeking work.

The same ranking of percentages held for gainful workers of each sex. However, among those who reported themselves as gainful workers, a relatively smaller proportion of men was employed—77.6 percent in contrast to 79.4 percent of the women—and likewise a somewhat smaller percentage was seeking work. These differences may be the result of the erroneous reporting of the employment status of women, to which reference has been made. It would seem in general that women who were not gainfully employed were probably not as likely to consider themselves in the labor force as were unemployed men. It is probable that the understatement of the extent of unemployment among women was greatest among married women in single-family households and least among single women in multi-family households.

*Employed and unemployed persons.*—At each age

**Table 2.—Percentage distribution by employment status of persons 16 years and over in the labor market, according to age, sex, and type of urban household**

[Preliminary data, subject to revision]

Age of person (years)	Total			Male			Female		
	Employed	On work relief	Seeking work	Employed	On work relief	Seeking work	Employed	On work relief	Seeking work
All households									
16 and over <sup>1</sup> .....	78.1	5.4	16.5	77.6	6.4	16.0	79.4	2.9	17.7
16-24.....	65.8	3.7	30.5	62.9	5.2	31.9	69.5	1.8	28.7
25-44.....	83.6	5.5	10.9	83.0	6.3	10.7	85.2	3.1	11.7
45-59.....	79.5	6.9	13.6	78.8	7.4	13.8	82.9	4.7	12.4
60-64.....	73.6	6.5	19.9	72.3	6.9	20.8	80.8	4.5	14.7
65 and over.....	71.0	4.8	24.2	60.2	5.0	25.8	82.6	3.5	13.9
Single-family households									
16 and over <sup>1</sup> .....	77.7	6.0	16.3	77.9	6.8	15.3	77.1	3.3	19.6
16-24.....	63.5	3.9	32.6	61.6	5.3	33.1	66.3	1.8	31.9
25-44.....	84.0	6.1	9.9	83.6	6.8	9.6	85.4	3.5	11.1
45-59.....	79.6	7.5	12.9	79.3	7.7	13.0	81.4	6.3	12.3
60-64.....	73.0	7.1	19.9	72.6	7.2	20.2	76.1	6.5	17.4
65 and over.....	69.8	5.5	24.7	69.0	5.5	25.5	76.7	5.6	17.7
Multi-family households									
16 and over <sup>1</sup> .....	78.8	4.4	16.8	77.0	5.5	17.5	82.1	2.4	15.5
16-24.....	70.4	3.4	26.2	65.9	5.1	29.0	75.0	1.7	23.3
25-44.....	82.9	4.3	12.8	81.8	5.2	13.0	85.0	2.6	12.4
45-59.....	79.3	5.7	15.0	77.4	6.6	16.0	84.3	3.2	12.5
60-64.....	74.6	5.5	19.9	71.8	6.2	22.0	84.2	3.1	12.7
65 and over.....	72.8	3.9	23.3	69.5	4.4	26.1	86.6	2.1	11.3

<sup>1</sup> Includes persons of unknown age.

level the proportion of women who were employed was higher than the corresponding proportion of men.

The factor of age seems to have been most important among persons seeking work. Of the gainful workers aged 16-24, 32 percent of the men and 29 percent of the women were seeking work. In the other age groups the proportion of men seeking work increased steadily with age, from 11 percent of those 25-44 years old to 26 percent of those aged 65 and over. Among women the proportions rose from 12 percent of those aged 25-44 to 15 percent among those aged 60-64 and then declined slightly for women aged 65 and over.

*Persons on work relief.*—For both men and women, the proportion of gainful workers who were on work relief was greatest in the age group 45-59 and next largest in the age group 60-64. The lowest proportions of men on work relief were in the oldest and the youngest age groups—the ages in which were found the lowest proportions of employed men. For the youngest group, this situation probably reflects the public attitude favoring aid to men with families. The low proportion for the aged reflects in part the lack of nonmanual relief projects for old men and possibly in part their lessened family responsibilities. Among women the lowest proportions on work relief were for the younger age groups—16-24 and 25-44. In each age group the proportion of gainful workers who were employed at relief work was larger among men than among women.

*Employment status in relation to household organization.*—When the employment status of gainful workers in single-family and multi-family households is considered, certain differences are found according to sex. The percentages of men who were employed were slightly higher in single-family than in multi-family households—78 and 77 percent, respectively—and the proportions on work relief were also higher. In general, the proportion of men in a specified employment status appeared to be approximately the same for both types of household.

Among women the relationships with respect to household type and employment status were reversed. In single-family households 77 percent of the workers were employed, in multi-family households 82 percent. This fact leads to the

inference that women in single-family households who are in the labor market are forced there, to a greater extent than women in multi-family households, by necessity rather than by any special qualification for work. Again, the proportions on work relief were larger in single-family than in multi-family households.

When the age of employed men is considered, the widest differences in the proportions from the two types of households are found in the youngest age group; in this age group the proportion who were employed was considerably smaller in single-family households. With increasing age, however, differences with respect to household type were on the whole less marked; the smallest difference was among men aged 65 and over. In the intermediate ages, from 25 to 64, the proportions who were employed were larger in single-family than in multi-family households.

Among women gainful workers, also, age was found to be an important factor. At each age level except 25-44,<sup>7</sup> the proportion of employed women was lower for single-family than for multi-family households. This situation is in part the effect of the differences between the two types of households with respect to their economic composition and with respect to the marital status of women. The proportion of employed gainful workers at each age level results from the interaction of such factors as the need for money in the household, the differences in the rates of employment for the respective marital-status groups, and the age and sex composition of the household, to mention some of the more obvious forces. The proportion of women workers who were employed was markedly lower in single-family than in multi-family households for the age group 16-24 and even lower for the group 65 and over.

The proportions of persons in the labor market or in a specified employment status reflect relative economic need of the family, the earning potentialities of the individual, the obstacles in the path of employment, and the traditional position of the individual in the family and in the community. Data from the canvass show clearly (table 3) that proportionately more aged men than aged women were in the labor market. Likewise, one-fourth of the aged men in the labor market were seeking work, in contrast to one-seventh of the aged

<sup>7</sup> The enumerative error in reporting unemployed women as homemakers may account for this apparent anomaly.

Table 3.—Persons 16 years and over in the labor market as percent of all adults and percentage distribution by employment status, according to sex, age, marital status, and type of urban household

[Preliminary data, subject to revision]

Age and marital status	Total			Male				Female					
	All adults	In labor market			All male adults	In labor market			All female adults	In labor market			
		Number	Percentage distribution by employment status			Number	Percentage distribution by employment status			Number	Percentage distribution by employment status		
			Em- ployed	Seek- ing work			Em- ployed	Seek- ing work			Em- ployed	Seek- ing work	
All households													
16 years and over 1	1,856,465	1,056,297	56.9	78.1	877,443	768,629	87.6	77.6	979,022	287,668	79.4	2.9	17.7
Married	1,108,248	683,517	62.7	83.8	554,175	524,595	94.7	82.9	554,073	38,922	91.6	2.5	5.9
Widowed 2	240,405	117,062	48.7	72.0	63,000	49,194	77.3	68.9	176,805	17,868	74.3	6.9	18.8
Single	507,812	355,718	70.0	70.8	259,068	194,840	75.0	65.6	248,144	100,878	77.0	1.4	21.6
10-24 years	401,916	224,368	55.8	65.8	184,610	125,309	67.9	62.9	217,305	99,059	69.5	1.8	28.7
Married	81,564	32,006	39.2	81.6	23,327	23,087	99.0	78.7	58,237	8,919	89.4	1.3	9.3
Widowed 2	8,792	6,389	72.7	60.1	1,505	1,433	95.2	63.4	7,287	4,956	68.0	5.7	35.1
Single	311,560	185,973	59.7	63.3	159,778	100,789	63.1	59.2	151,782	85,184	68.0	1.6	30.4
25-44 years	821,732	519,151	63.2	83.6	388,435	283,095	98.6	83.0	433,297	136,056	85.2	3.1	11.7
Married	605,279	328,479	54.3	86.7	291,430	288,803	99.1	88.9	313,849	39,076	92.5	2.1	5.4
Widowed 2	69,467	54,002	77.7	72.8	18,018	18,205	99.8	72.0	50,849	35,797	70.4	7.7	19.1
Single	146,986	136,670	93.0	86.3	78,387	76,087	97.1	74.6	68,599	60,583	87.5	1.0	11.5
45-59 years	404,595	234,127	57.9	79.5	201,070	193,932	96.4	78.8	203,525	40,195	82.9	4.7	12.4
Married	304,060	171,470	56.4	81.5	167,465	162,386	97.0	81.0	136,025	9,084	90.3	4.7	5.0
Widowed 2	98,900	37,462	37.8	73.5	18,649	17,626	94.5	68.8	50,251	19,836	77.7	6.6	15.7
Single	31,635	25,195	79.7	74.3	14,956	13,920	93.1	64.8	16,649	11,275	86.1	1.4	12.5
60-64 years	82,068	39,309	47.9	73.6	38,530	33,243	86.3	72.3	43,538	6,066	80.8	4.5	14.7
Married	51,783	27,147	52.4	75.0	30,054	26,378	87.8	74.7	21,729	7,009	85.4	9.0	5.6
Widowed 2	23,898	8,346	34.9	71.5	5,899	4,788	81.2	65.0	17,660	3,558	80.2	4.8	15.0
Single	6,387	3,816	59.7	68.3	2,577	2,077	80.6	58.7	3,810	1,739	79.8	2.0	18.2
65 years and over	142,594	37,166	26.1	71.0	63,719	32,098	50.4	69.2	78,875	5,008	82.6	3.5	13.9
Married	64,195	23,742	37.0	71.7	41,269	23,352	56.6	71.4	22,926	3,390	86.7	7.2	6.1
Widowed 2	68,658	10,501	15.3	70.3	18,795	7,023	37.4	64.5	49,963	3,478	82.2	3.8	14.0
Single	9,741	2,923	30.0	68.3	3,655	1,723	47.1	58.5	6,086	1,200	82.4	1.5	16.1
Single-family households													
16 years and over 1	1,242,349	693,888	55.9	77.7	604,141	534,860	88.5	77.9	638,208	189,028	77.1	3.3	19.6
Married	830,420	431,777	52.0	83.6	415,234	394,878	95.1	82.8	415,166	50,999	92.4	3.1	4.5
Widowed 2	288,201	140,871	48.9	69.9	20,295	16,132	79.5	68.8	67,905	24,739	70.6	10.5	18.9
Single	123,728	221,240	68.3	67.7	108,612	123,850	73.5	63.4	155,116	97,280	73.0	1.5	23.5
10-24 years	275,063	150,128	54.6	63.5	130,266	87,999	67.6	61.6	144,797	62,129	66.3	1.8	31.9
Married	56,047	20,037	35.8	83.3	15,184	15,184	99.2	80.1	40,748	4,853	93.4	1.6	5.0
Widowed 2	948	168	17.6	55.6	15	72	97.3	77.8	874	595	68.1	11.4	35.6
Single	218,068	129,424	59.4	60.5	114,893	72,743	63.3	57.7	103,175	56,681	64.1	1.8	34.1
25-44 years	573,227	340,341	59.4	84.0	271,338	268,080	98.8	83.6	301,889	72,261	85.4	3.5	11.1
Married	465,265	246,045	52.9	86.5	222,668	230,747	99.1	80.7	242,627	22,298	93.0	2.6	4.4
Widowed 2	24,123	17,023	70.6	69.9	4,140	4,042	97.6	73.0	19,983	12,981	68.3	12.0	19.7
Single	83,839	77,273	92.2	73.0	44,530	43,291	97.2	73.4	38,309	33,982	86.2	1.0	12.8
45-59 years	274,419	157,068	57.2	79.6	141,914	137,412	96.8	79.3	132,905	19,596	81.4	6.3	12.3
Married	226,022	129,977	56.8	81.2	127,743	124,001	97.1	80.7	101,279	5,076	90.0	5.5	4.5
Widowed 2	30,934	15,098	50.7	71.7	7,667	7,274	94.9	69.1	23,267	8,424	73.8	9.6	16.0
Single	14,463	11,333	78.4	72.8	6,504	6,137	94.4	63.6	7,959	5,196	83.8	1.5	14.4

60-64 years	48,002	24,107	49.7	73.0	7.1	19.9	24,731	21,034	87.1	72.0	7.2	20.2	24,771	15.8	30.7	10.6	17.4
Married	36,474	18,307	34.5	67.9	8.9	23.3	22,377	18,981	87.9	63.8	9.9	28.3	17,197	15.4	74.1	10.6	15.7
Widowed	2,819	1,617	57.4	63.8	6.2	30.0	1,103	879	79.7	55.0	9.3	35.7	1,716	43.0	74.3	2.4	23.3
Single	69,477	21,423	30.8	69.8	5.5	24.7	33,395	19,372	54.7	69.0	5.5	25.5	34,082	6.0	76.7	5.6	17.7
Married	43,097	16,115	37.4	71.2	5.4	23.4	27,865	15,885	57.0	71.0	5.3	23.7	15,232	1.5	87.4	9.1	3.5
Widowed	4,068	18.3	66.7	66.7	5.8	27.5	6,027	2,755	45.7	62.5	5.8	31.9	17,379	1.5	75.6	6.0	18.4
Single	3,974	1,210	30.4	61.0	5.7	33.3	1,503	732	48.7	62.5	7.5	40.3	2,471	19.3	74.5	2.9	22.6

Multi-family households

10 years and over	614,116	382,409	59.0	78.8	4.4	16.8	273,302	233,769	85.5	77.0	5.5	17.5	340,814	128,640	37.7	82.1	2.4	15.5
Married	277,828	151,740	54.6	84.2	5.1	10.7	138,041	128,717	93.3	83.2	5.7	11.1	138,887	22,023	15.9	90.1	1.5	8.4
Widowed	122,204	76,191	60.1	73.2	5.9	20.9	63,265	33,922	70.3	68.9	7.4	23.7	108,869	43,129	39.6	76.5	4.7	18.8
Single	184,084	134,478	73.1	73.9	2.9	21.2	91,056	70,990	78.0	69.5	4.4	26.1	93,028	63,488	68.2	83.1	1.1	15.8
10-24 years	126,853	74,240	58.5	70.4	3.4	26.2	54,344	37,310	68.7	65.9	5.1	29.0	72,509	36,930	50.9	75.0	1.7	23.3
Married	25,517	11,969	46.9	78.9	6.1	15.0	8,028	7,943	98.4	75.9	8.7	15.4	17,469	4,066	23.2	84.6	1.1	14.3
Widowed	7,844	5,722	72.9	60.7	5.6	33.7	1,431	1,361	95.1	62.6	8.2	29.2	6,413	4,361	68.0	69.0	4.9	35.1
Single	93,492	55,549	60.5	69.6	2.6	27.8	44,885	28,046	62.5	63.1	4.0	32.9	48,607	28,563	58.6	75.9	1.2	22.9
25-44 years	248,505	178,810	72.0	82.9	4.3	12.8	117,097	115,015	98.2	81.8	5.2	13.0	131,408	63,795	48.5	85.0	2.6	12.4
Married	140,014	82,434	58.9	87.5	4.6	7.9	68,762	68,056	99.0	80.7	5.3	8.0	71,252	14,378	20.2	91.6	1.2	7.2
Widowed	45,344	36,979	81.6	74.1	6.1	19.8	14,478	14,163	97.8	71.1	7.4	21.5	30,866	22,816	73.9	75.9	5.3	18.8
Single	63,147	59,397	94.1	82.0	2.7	15.3	33,857	32,796	96.9	76.1	4.1	19.8	29,290	26,601	90.8	89.2	1.1	9.7
45-69 years	130,176	77,119	59.2	70.3	5.7	15.0	59,156	56,520	95.5	77.4	6.6	16.0	71,090	20,509	29.0	84.3	3.2	12.5
Married	75,098	41,493	55.3	82.8	5.7	11.5	39,722	38,385	96.6	82.1	6.0	11.9	35,346	8,108	8.8	90.8	3.2	6.0
Widowed	37,966	21,704	57.3	74.8	6.6	18.6	10,982	10,352	94.3	68.6	9.9	22.4	28,984	11,412	42.3	80.5	4.4	15.1
Single	17,142	13,862	80.9	75.5	4.3	20.2	8,452	7,783	92.1	65.8	6.8	27.4	8,690	6,079	70.0	88.0	1.1	10.9
60-64 years	33,566	15,202	45.3	74.6	5.5	19.9	13,799	11,709	84.9	71.8	6.2	22.0	19,767	3,493	17.7	84.2	3.1	12.7
Married	15,674	7,964	50.8	76.0	5.8	18.2	8,803	7,704	87.5	75.6	5.8	18.6	6,871	2,900	3.8	88.8	5.8	5.4
Widowed	14,324	5,039	35.2	73.8	5.5	20.7	3,522	2,807	79.7	65.9	7.1	27.0	10,802	2,232	20.7	83.8	3.4	12.8
Single	3,568	2,199	61.6	71.7	4.2	24.1	1,474	1,198	81.3	61.4	6.4	32.2	2,094	1,001	47.8	83.9	1.7	14.4
65 years and over	73,117	15,743	21.5	72.8	3.9	23.3	28,324	12,726	44.9	69.4	4.4	26.2	44,793	3,017	6.7	86.6	2.1	11.3
Married	21,098	7,627	36.2	72.0	4.6	22.8	13,404	7,467	55.7	72.4	4.6	23.0	7,694	1,160	2.1	85.6	4.4	10.0
Widowed	46,252	6,453	13.8	72.7	3.3	24.0	12,768	4,258	33.4	65.9	3.7	30.4	33,484	2,135	6.4	86.3	2.4	11.3
Single	6,767	1,713	29.7	73.5	3.4	23.1	2,132	491	40.1	63.2	5.4	31.4	3,615	722	20.0	87.7	.5	11.8

Includes persons of unknown age.

Includes persons who were divorced or separated.

women workers. When aged women could not find work, it would appear that they dropped out of the labor force, while aged men continued to look for work. The extent to which this contrast results from the error in enumeration cannot be surmised.

### Employment Status in Relation to Marital Status

A close relationship was found between marital status and the proportion of persons in the labor market who were employed (table 3 and chart 2). With only one exception—aged women from multi-family households—the percentages of employed workers were relatively higher for married persons than for the single or for the widowed, divorced, or separated.

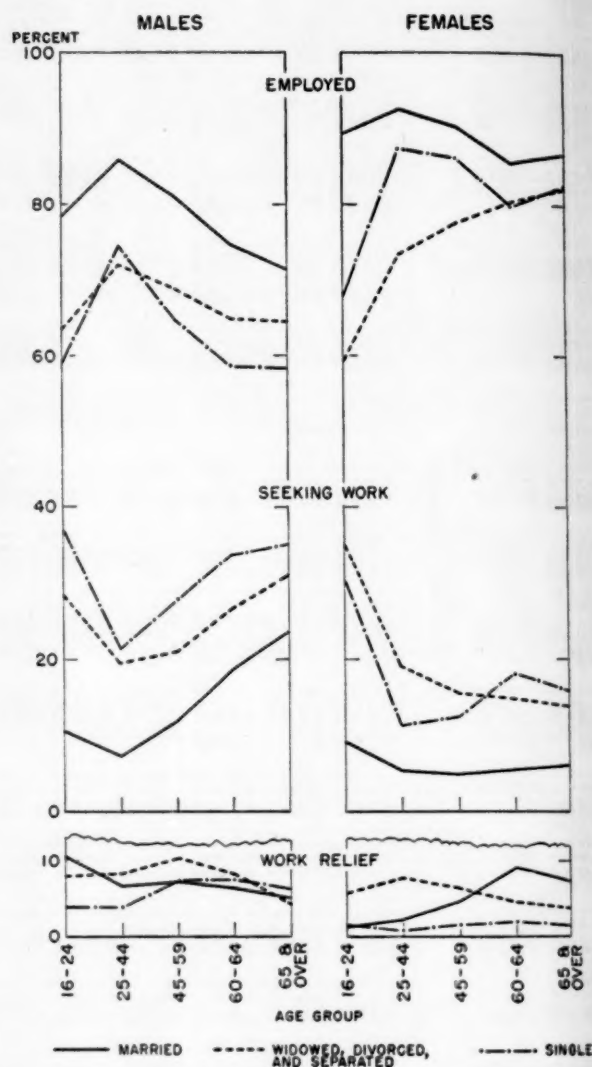
*Employed persons.*—About 84 of every 100 married persons in the labor market were employed at the time of the survey, as compared with 72 of every 100 widowed, divorced, or separated persons and about 71 of every 100 single workers. Unpublished data show that among the latter the proportions who were employed were markedly higher for heads of families than for others.

The proportion of employed gainful workers of each marital status was higher among women than among men. In fact, the proportion of women in the labor force who were gainfully employed was higher than the combined percentages of men who were gainfully employed and those who were on work relief. Again, the extent to which this difference results from incorrect recording of employment status of women cannot be appraised.

The proportions of employed men were lowest among single men except in the age group 25-44, where they were lowest among widowed, divorced, or separated men. In general, the variation in the proportion of employed men from one age group to another is similar for the respective marital statuses. For each marital status, the largest proportion of employed men was at the age level 25-44. Thereafter, the percentages decreased with age, most rapidly among single men and least rapidly among the widowed, divorced, or separated.

In each age group up to age 60, the proportion of employed women was lowest among the widowed, divorced, or separated workers. For women aged 60 or more, the percentages of employed persons were about the same for single

Chart 2.—Workers of specified employment status from urban households as percent of persons aged 16 and over in the labor market, by sex, age, and marital status



women as for the widowed, divorced, and separated. For married and single women, as for all male gainful workers, the greatest concentration of employment occurred in the age group 25-44, and thereafter the proportions decreased with age except for an upturn at age 65 and over. The proportion of employed persons among the widowed, divorced, and separated increased progressively with age, from 59 per 100 women in the labor market in ages 16-24 to 82 per 100 for those aged 65 and over.

*Unemployed persons.*—The variations with respect to age in the proportions of unemployed

persons who were seeking work were substantially different among men and women, although for both sexes the lowest proportions of persons seeking work were among the married. Among the men, at each age level, proportionately more single men were seeking work; among women, except in ages 60 and over, the proportions were largest for those who were widowed, divorced, or separated.

The changes, with respect to age, in the proportion of men seeking work were, in general, similar for each marital status, but this was not the case among women. For married women the proportions seeking work decreased with age to the age group 45-59 and thereafter rose gradually; for single women and for the widowed, divorced, and separated, the percentages decreased at a slowing rate with increasing age.

*Persons on work relief.*—The highest proportions of persons on work relief were found, with few exceptions, among the widowed, divorced, and separated and the lowest among single persons. The exceptions were the youngest and the oldest married gainful workers who were relatively more often on work relief.

The proportionate numbers of persons on work relief doubtless reflect work-relief policies as well as relative need in the various segments of the population. Thus single women generally reported relatively the lowest proportions on work relief. Married male gainful workers in ages 16-24 reported the largest percentage engaged on work relief—10.8 percent. Widowed, divorced, or separated persons reported comparatively large proportions on work relief, except in the oldest age groups.

*Employment status and household type.*—When both marital status and age are considered, the proportion of employed male workers in single-family households is generally lower than the corresponding proportion in multi-family households. Exceptions were found for married men aged 16-24, and for widowed, divorced, or separated men under 60.

The generally lower proportion of employed men in single-family households was counteracted, in part at least, by larger proportions of men on work relief. This combination of percentages is evident for married men of all ages, and for those under 45 it was sufficient to result in a smaller proportion of married men in single-family households who reported that they were seeking work.

Differences between single-family and multi-family households in the percentages of either gainful workers or employed gainful workers were wider for women than for men. The proportion of employed workers was higher for women in multi-family households than for those in single-family households, except for the age group 25-44 and for married women in ages under 45 and 65 or more. The exception for the age group 25-44 is explained by the large proportion of married women in this age group. The exception for married women under 45 seems a reflection of the fact that a woman in a single-family household who was not working would tend to be reported as a housewife more often than one in a multi-family household. It is probably not unreasonable to assume that unemployed women in multi-family households sought work more regularly than did married women of the same age from single-family households with only one adult woman.

As was found for men, the proportion of women engaged in relief work was higher for those from single than from multi-family households. The range of differences in the percentages was greater with respect to marital status among women in single than in multi-family households.

The lesser concentration of older employed married women in single-family households was offset by the relatively larger number on work relief, so that the percent of women seeking work was smaller for the married in single-family than for those in multi-family households.<sup>5</sup> Among women other than the married, on the other hand, the proportions seeking work were greater for those in single-family households.

### Summary and Conclusions

This report is essentially descriptive in nature. Nevertheless, the variations observed indicate the multiplicity of factors which determine, first, an individual's entry into the labor market and, second, the employment status of those within the labor market.

For many men of mature age, gainful employment would be a social necessity regardless of economic need. The age at which one enters the labor market, however, is controlled in part by the family relationship of the individual, his abilities and aptitudes, the reliance of others on

<sup>5</sup> See footnote 5.

him for support, as well as his social and cultural background and the opportunities for employment. At the other extreme, among the aged, withdrawal from the labor market is determined by employment conditions and the earning potentialities of the individual, his responsibilities, and the sources of livelihood that he may have aside from his own earnings.

For women, the situation is far more complex; the traditional dependence on the male still exists, especially in the case of married women. Childbearing and the care of children and of the home also exert a marked effect in keeping women out of the labor market. But changing mores, economic necessity, and in some instances the drudgery of home work and the desire for independence control the presence of women in the labor market.

The employment status of workers is determined in part by the length and continuity of their stay in the labor market, by their skill, their productiveness in relation to earnings, and, in a measure, by the urgency of their needs. The interaction of these social and economic factors with our production system resulted in an employment pattern for the 1.9 million urban adults reported in this survey which may be summarized as follows:

(1) Fifty-seven percent of the urban adults aged 16 years or more were in the labor force. Fifty-six percent of the adults in single-family households and 59 percent of those from multi-family households were gainful workers.

(2) Eighty-eight percent of the men and 29 percent of the women were reported in the labor force.

(3) Twenty-seven percent of all gainful workers were women. About one-fourth of the gainful workers from single-family households and one-third of those from multi-family households were women.

(4) A greater proportion of the married men was in the labor market than of either widowed, divorced, or separated men or single men. The respective proportions were 95, 77, and 75 per hundred. Among the aged, the ranking of single and of widowed, divorced, or separated was interchanged.

(5) A greater proportion of the single women was in the labor market than of either of the other

two marital groups. A strikingly low proportion of the married women was in the labor force. The ratios were 11 per 100 married women, 38 per 100 widowed, divorced, or separated, and 65 per 100 single women. Except for the age group 16-24, the same ranking was found for each age group.

(6) The ratio of male gainful workers to all men was about the same for single-family and for multi-family households. Among women, there were wide differences in the ratios. The agreement between ratios increased with age. The greatest difference was observed among the ratios for married women.

(7) Seventeen percent of the urban gainful workers during the period covered by the survey were unemployed, 5 percent were at work on relief projects, and 78 percent were employed for pay or profit on nonrelief work.

(8) The largest proportion of employed persons to all gainful workers in a particular age group—84 percent—was found for persons aged 25-44 years.

(9) Although the proportion of employed men at each age level was relatively lower than the corresponding proportion of women, only 16 percent of all men in the labor market were unemployed, as compared with 18 percent of the women in the labor market. The larger proportion for women resulted from the fact that a relatively large number of women gainful workers were under 25, the age group in which the proportion of unemployed persons was greatest.

(10) The proportionate differences between the number of employed gainful workers in single-family and multi-family households were more pronounced among women workers than among men. This situation is attributable in part to the marked differences in composition of the two types of households, with respect to marital status of women workers, and to the fact that marital status is an important differential factor for women.

(11) Although the proportion of married women in the labor market was lower than that of any other group of women, a larger proportion of the married women workers was employed.

(12) Differences between the employment status of women gainful workers in multi-family and single-family households were least for the married and generally most for the widowed, divorced, or separated.

# EMPLOYMENT SECURITY

BUREAU OF EMPLOYMENT SECURITY • RESEARCH AND STATISTICS DIVISION

## Operations of the Employment Security Program

### *Labor-Market Developments*

Employment has been affected by the defense program in practically all localities in the United States. Large-scale employment increases have been maintained, and additional thousands of workers have been hired in most States, even though the actual rate of increase in employment in manufacturing industries may have slackened somewhat. Despite adverse weather, construction employment has been maintained at a high rate in most areas and has been little marked by the usual seasonal declines, but lack of materials and skilled building craftsmen has slowed down some projects already under construction and has retarded initiation of others.

Hiring in many manufacturing establishments has been deferred because of lack of space and equipment for more workers, despite maximum utilization of facilities through overtime and extra shifts. Shortage of key skilled workers has prevented employment increases in many plants, and in others scarcity of raw materials has delayed expansion of production and pay rolls.

On completion of large construction jobs now under way—factories, army camps, housing projects, supply bases, dams, and so forth—thousands of construction workers will be laid off; but a large volume of additional construction is already scheduled for some months to come, so that many workers released from completed jobs may find work with little difficulty. Complete use of plant facilities has been accompanied in many instances by an increase in the number of expansion projects, and this has added to the demand for construction workers.

Although local stringencies in a few skilled crafts have delayed some projects, the supply of construction workers still appears to be adequate. Effective use of clearance machinery by public employment offices has been of considerable help in transferring construction workers to localities where local shortages have developed.

In manufacturing industries, particularly aircraft and shipbuilding, shortages have become more pronounced. Stringencies of skilled metal

tradesmen are also common. Limited supplies of semiskilled workers are reported in a few localities and small reserves in others. In practically no area have unskilled workers been hard to obtain, although low wages and poor working standards have resulted in a withdrawal of workers in some areas which have industries characterized by such conditions.

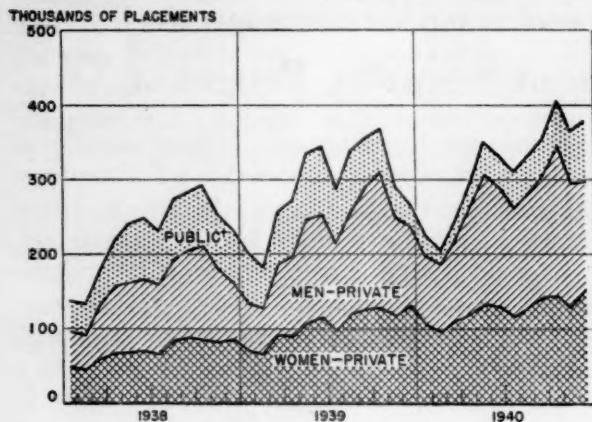
The trend toward stringency appears likely to be aggravated during the next 3 months, when in the major defense industries there appears to be heavy prospective demand for workers. A large proportion will have to be skilled or semiskilled. The relatively small number of lay-offs expected to occur will make available only a negligible supply of skilled workers; most of those needed will have to be obtained from some other source.

In some of the occupations in which employers have indicated that shortages exist, good workers are reported available but because of race or nationality are not being hired. Employers have lowered age limits and physical requirements, accepted workers of less skill and experience, employed women in jobs hitherto held only by men, but they have almost consistently turned down qualified skilled workers who are not citizens, even in jobs where citizenship is unessential. Public employment office records indicate that stringencies in many areas would be eliminated if qualified workers were not barred on account of specifications unrelated to the job.

### *Review of the Month*

Continuing stimulation of industrial activity by the defense program was reflected in December by the increase in placements made through the public employment offices and smaller rises in benefit claims and payments than occurred in December last year. The greater number of working days in December than in November may also have been a factor in the placement gain. The number of jobs filled in private employment increased from the previous month and was higher than in any previous December in the history of

**Chart 1.—Placements of men and women by public employment offices, January 1938–December 1940**



†Over 97 percent of public placements are of men.

the United States Employment Service. Public placements registered a gain of 14 percent as a result of construction projects related to the defense program. Supplementary placements declined sharply, however, as agricultural operations were further curtailed. Applications for work increased sharply with the result that the number of persons actively seeking work through public employment offices increased for the first time since June. Part of the increase is attributable to the registration of persons who were laid off after Christmas.

Further seasonal curtailment, largely in construction, food manufacturing, and mining, resulted in increases in both benefit claims and payments in December, representing the first increase since July. Continued claims received in local offices increased 10 percent over November to approximately 4 million. Benefit payments to unemployed workers, compensating almost 3 million weeks of total and partial unemployment, totaled \$31 million in December, an increase of 4.5 percent over the previous month. A minimum of 761,000 unemployed workers received at least one benefit payment in December, and the weekly average of benefit recipients totaled 667,000. The number of beneficiaries declined for the sixth successive month.

#### Placement Activities

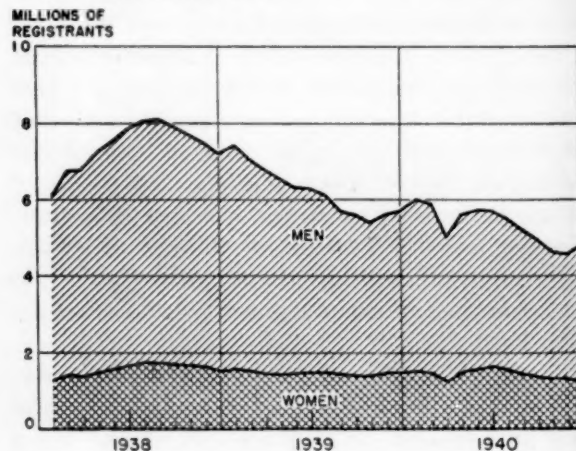
Nearly 378,000 placements were made by the United States Employment Service offices during December, a gain of 3.5 percent over the previous month. Jobs filled in private employment totaled

298,000, an increase of 1 percent over November, but 27 percent higher than in December 1939 and 85 percent higher than in December 1938 (table 1). Although private placements increased, the number of jobs expected to last longer than a month declined sharply from November to 136,000—only 46 percent of total private placements—probably as a result of a substantial number of placements in temporary jobs during the Christmas season. This month was the first since July that jobs lasting longer than a month accounted for less than half of private placements.

Placement gains in private employment were shown in only 20 States, with general increases in the Southwest and Pacific Coast areas. Kentucky and Massachusetts reported the largest gains—30 and 25 percent, respectively; 10 other States—Arkansas, California, Indiana, Maine, Maryland, Missouri, New York, Oklahoma, Pennsylvania, and Texas—showed increases ranging between 10 and 20 percent. Defense contracts and construction have strongly stimulated employment in these States. Of the 15 leading States, 9 were included among those reporting more private jobs filled than in November. Fewer private jobs were filled in 31 States, with the sharpest decreases, ranging from 37 to 41 percent, reported by Louisiana, New Mexico, Utah, and Wyoming. Decreases of less than 10 percent, however, were reported by 15 of the remaining States.

Public placements totaled 80,000, an increase of 10,000 over November, and more than twice the number filled in December 1939. This gain re-

**Chart 2.—Active file of men and women registrants at public employment offices as of end of month, January 1938–December 1940**



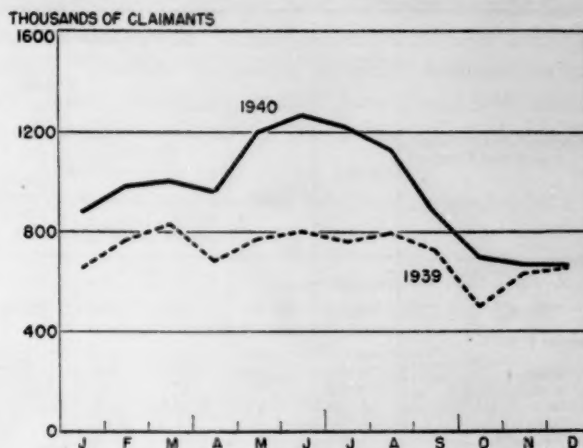
sulted largely from the placement of construction workers on army-camp projects. In Illinois, Kansas, Missouri, New York, South Carolina, and Wyoming such placements were from 2 to 6 times as great as those made in November. Supplementary placements totaled 89,000 in December, a decline of 34 percent from November. Continuing local needs for agricultural workers resulted in large numbers of supplementary placements, however: in Arizona, 11,000; Arkansas, 15,000; Tennessee, 18,000; and Texas, 19,000.

Applications for work received during December increased 12 percent over November to approximately 1.5 million. Largely as a result of the sharp increase in applications for work, the number of job seekers registered in State active files at the end of December rose 4.2 percent from the preceding month to more than 4.7 million. Of the 37 States reporting increases, 27 showed rises of less than 10 percent. Connecticut reported a decline of 36 percent, largely attributable to the removal from the active file of names of persons who failed to indicate that they were actively seeking work. The District of Columbia, Mississippi, and Oklahoma also reported declines in excess of 10 percent.

Of the total placements completed by public employment offices, 223,000 were filled by men and 155,000 by women (table 2). Placements of men in private employment totaled more than 146,000, 12 percent less than in November but 39 percent more than in December 1939, while private placements of women totaled 151,000, 18 percent more than in November and 17 percent more than a year ago. About half the private jobs filled by men were expected to last longer than a month, a slightly lower proportion than in November. More than 76,000 jobs or 96 percent of all placements in public and governmental work were filled by men—many in construction work at army cantonments and other military areas.

The number of applications filed by men increased 16 percent over November to 1.1 million, while those filed by women increased only 2.9 percent to 384,000. The sharper increase in applications filed by men partly reflected the seasonal curtailment of job opportunities in construction and agriculture. The number of job seekers in the active file of male registrants increased 6.0 percent over the end of November to 3.5 million. The

Chart 3.—Average weekly number of claimants drawing benefits, by month, January 1939–December 1940<sup>1</sup>



<sup>1</sup> Benefits not payable in Illinois and Montana until July 1939.

number of women job seekers declined slightly to approximately 1.3 million, the lowest volume since March 1940.

### Insurance Operations

**Claims received.**—Although the number of continued claims received in local offices increased 10 percent to 4 million in December (table 3), this volume represented the second lowest for the year. Except for the Southeast and Gulf area, increases were general throughout the country. Increases in many cases reflected advance filing of claims prior to the beginning of benefit years in January. Among the 36 States which reported increases, the sharpest rises occurred in North Dakota and South Dakota—64 percent and 71 percent, respectively—largely the result of seasonal declines in construction. Increases of more than 30 percent were also noted in Delaware, Idaho, Iowa, Minnesota, Montana, Pennsylvania, and Vermont. On the other hand, declines of 10 percent or more were reported by Florida, Hawaii, Kentucky, New Hampshire, and Oregon.

Reduced employment in various industry groups which usually curtail operations at this time of the year resulted in a 2.6-percent increase in the December weekly average of continued claims for all types of unemployment (table 4). The weekly average of 882,000 represented the first increase in average receipts since last May. Increased receipts were reported by 31 States, most of them concentrated west of the Mississippi River, where seasonal declines in canning and construction

**Table 1.—Placement activities of public employment services for all registrants, by State, December 1940**

[Data reported by State agencies, corrected to Jan. 23, 1941]

Social Security Board region and State	Complete placements							Supplemental place- ments	Applications received		Active file as of Dec. 31, 1940	
	Total	Private				January-December 1940			Number	Percent- age change from Novem- ber 1940		
		Total	Percentage change from—		Regular (over 1 month)	Total	Percentage change from January- December 1939					
			Novem- ber 1940	Decem- ber 1939								
Total .....	377,697	297,723	+1.0	+26.6	136,431	3,225,910	13 +20.2	79,974	89,165	1,494,985	+12.1	4,759,836
Region I:												
Connecticut.....	6,563	6,070	-8	+78.5	3,673	57,291	+34.9	493	23	18,685	+17.2	37,915
Maine.....	1,953	1,738	+18.1	+53.1	1,272	19,504	+18.4	215	11	11,206	+5.0	29,862
Massachusetts.....	6,820	6,061	+25.1	+101.3	4,031	45,796	+59.3	759	46	47,714	+45.2	163,610
New Hampshire.....	1,534	1,281	-16.6	-20.3	912	18,527	-5	253	218	7,792	+43.2	19,578
Rhode Island.....	1,537	1,235	+7.2	+105.5	853	9,664	+6.8	302	0	8,700	+30.2	27,075
Vermont.....	1,146	815	-5.2	+18.4	339	9,941	+9.6	331	60	3,258	+3.2	12,235
Region II:												
New York.....	37,152	32,900	+10.2	+60.0	12,911	318,430	+57.5	4,252	1,234	198,040	+5.8	506,145
Region III:												
Delaware.....	999	941	-17.8	-18.0	371	12,726	-10.0	58	27	3,098	-9	9,016
New Jersey.....	12,885	10,614	-1.7	+24.9	5,264	112,691	+13.2	2,271	83	65,946	+30.3	188,386
Pennsylvania.....	14,808	13,881	+15.0	+35.9	7,387	129,872	+37.8	927	1,524	122,325	+28.3	335,907
Region IV:												
District of Colum- bia.....	4,562	4,003	-6.0	+36.8	1,640	43,236	+19.8	559	0	10,482	-13.5	23,834
Maryland.....	5,332	4,928	+19.7	+66.0	2,754	43,327	+37.4	404	7	17,580	+11.0	47,301
North Carolina.....	13,886	4,993	+3	+5.8	2,149	63,085	-5	8,893	1,768	32,818	+3.6	94,785
Virginia.....	7,015	5,420	-3.7	+71.0	2,898	59,382	+33.9	1,595	86	18,280	-9.6	46,885
West Virginia.....	3,241	3,008	-13.2	+8.3	1,581	29,955	+1.2	233	137	17,425	+7.0	61,218
Region V:												
Kentucky.....	4,098	3,921	+30.0	+71.5	2,427	29,053	+43.1	177	75	14,947	+14.5	84,091
Michigan.....	11,292	10,660	-5.0	+28.5	5,879	122,063	+20.1	632	91	64,201	+42.4	154,282
Ohio.....	16,417	15,970	-5.4	+28.4	7,500	173,980	+34.9	447	414	67,158	+4.0	308,443
Region VI:												
Illinois.....	16,893	15,618	+8	+21.6	8,024	161,745	+19.6	1,275	824	75,488	+15.4	187,176
Indiana.....	10,515	10,142	+15.0	+32.1	5,851	95,179	+13.7	373	1,017	38,540	+12.4	146,960
Wisconsin.....	7,121	6,358	-3.5	+42.3	2,879	73,925	+15.9	763	485	26,666	-1.3	100,931
Region VII:												
Alabama.....	2,989	2,758	-4.7	-15.1	1,838	43,726	+13.4	231	133	22,136	-6.3	93,787
Florida.....	14,257	5,037	+5.4	+1.1	4,046	33,873	+29.1	9,220	532	26,520	-15.2	71,526
Georgia.....	6,826	4,582	-6.9	-8.9	1,933	78,693	+40.8	2,244	73	29,114	+38.9	140,770
Mississippi.....	3,967	2,081	-15.9	+16.5	1,383	27,167	+13.8	1,886	281	14,200	-13.0	59,083
South Carolina.....	6,429	1,840	-8.2	+49.8	973	22,602	+42.2	4,589	897	14,896	+61.6	48,103
Tennessee.....	8,188	4,412	+1.8	+36.2	2,436	53,964	+15.8	3,776	17,803	15,498	-8.3	113,024
Region VIII:												
Iowa.....	5,923	4,877	-10.7	+14.1	1,719	61,195	+2	1,046	449	19,770	-10.9	77,501
Minnesota.....	4,695	4,479	-18.2	+25.8	2,073	64,337	+17.9	216	174	27,311	+17.3	113,594
Nebraska.....	2,134	1,659	-5.5	+47.1	492	20,981	+26.3	475	30	9,644	+17.8	42,013
North Dakota.....	2,107	2,051	-11.7	+21.3	598	38,446	+22.9	56	41	4,209	-4.7	24,697
South Dakota.....	1,094	981	-17.6	+11.4	334	12,601	+14.7	113	95	4,622	+31.6	21,735
Region IX:												
Arkansas.....	8,649	6,334	+14.2	+118.5	1,154	54,477	+31.8	2,315	15,116	13,591	-7	40,910
Kansas.....	6,487	3,272	-1.0	+44.6	1,161	40,213	+64.4	3,215	698	23,807	+23.3	62,987
Missouri.....	9,792	7,031	+11.2	+29.5	3,696	85,846	+28.2	2,161	1,289	62,423	+35.5	188,868
Oklahoma.....	3,679	3,420	+15.4	-18.5	964	49,098	+6.3	259	1,207	15,662	+4.2	39,721
Region X:												
Louisiana.....	8,357	6,490	-39.0	+73.1	5,329	52,006	+2	1,867	1,146	23,437	-19.9	105,534
New Mexico.....	1,410	1,202	-41.3	+3	392	16,037	-24.7	208	489	6,072	+8	25,397
Texas.....	44,692	32,682	+10.2	-6.3	7,692	313,748	+6.0	12,010	19,275	76,231	+6.9	232,901
Region XI:												
Arizona.....	2,250	2,007	+2.8	-47.3	1,130	26,694	+2.6	243	11,384	5,467	-8.0	17,600
Colorado.....	3,182	3,028	-18.0	+24.5	1,139	57,931	+28.5	154	172	14,713	-2.5	51,503
Idaho.....	1,417	1,285	-18.8	-1.0	553	25,608	+6.2	132	162	7,930	+2.7	16,129
Montana.....	969	808	-9.1	+37.4	389	15,378	+57.4	161	196	4,451	-7.6	19,150
Utah.....	1,579	1,189	-37.9	-2	321	14,950	-4	390	78	6,705	-17.4	25,392
Wyoming.....	2,175	348	-36.6	+1.8	157	6,460	-3.9	1,827	10	4,510	+22.6	6,599
Region XII:												
California.....	25,931	23,226	+11.4	+54.2	10,413	235,109	+6.1	2,705	6,737	117,173	+11.4	397,510
Nevada.....	895	805	+6.2	+8.2	381	11,103	+13.0	90	157	2,399	-4	5,881
Oregon.....	5,506	4,415	-14.0	+44.0	1,372	50,364	-2	1,091	1,153	19,083	+2.0	42,014
Washington.....	4,907	3,668	+2	-22.7	1,574	75,139	+12.8	1,239	1,217	30,946	+19.9	81,291
Territories:												
Alaska.....	368	159	-27.1	+57.4	49	2,964	+59.3	209	22	805	-13.3	1,701
Hawaii.....	1,074	440	-6.8	+34.6	145	5,828	+93.0	634	19	1,341	-15.7	7,411

<sup>1</sup> Excludes January-February of 1939 and 1940 for Florida, because private placement activity was largely suspended in January-February 1939.  
<sup>2</sup> Excludes August-September of 1939 and 1940 for South Dakota, because State agency suspended operations in August-September 1939.

<sup>3</sup> Excludes 14,504 supplemental placements made in cooperation with Arkansas.

resulted in an increased number of lay-offs. The averages increased more than 50 percent in Idaho, North Dakota, and South Dakota; 4 additional States in this region showed rises in excess of 25 percent. Of the 15 leading industrial States, only Pennsylvania and Wisconsin reported increases of

more than 10 percent, and 6 of the remaining States reported declines ranging from 1 to 11 percent. Improved employment conditions arising out of increased industrial activity attributable to the defense program resulted in declines in average weekly claim receipts in 20 States. Ten of the 20

**Table 2.—Placement activities of public employment services for men and women, by State, December 1940**

[Data reported by State agencies, corrected to Jan. 27, 1941]

Social Security Board region and State	Men						Women					
	Complete placements				Applications received	Active file as of Dec. 31, 1940	Complete placements				Applications received	Active file as of Dec. 31, 1940
	Total	Private		Public			Total	Private		Public		
		Total	Regular (over 1 month)					Total	Regular (over 1 month)			
Total.....	222,913	146,430	73,846	76,483	1,111,081	3,464,797	154,784	151,293	62,585	3,491	383,904	1,295,039
Region I:												
Connecticut.....	3,709	3,323	2,335	386	12,205	24,178	2,854	2,747	1,338	107	6,480	13,737
Maine.....	1,060	879	655	211	8,639	22,149	863	859	617	4	2,567	7,713
Massachusetts.....	3,602	2,968	2,201	634	30,224	96,242	3,218	3,093	1,830	125	17,490	67,368
New Hampshire.....	1,040	828	641	212	5,800	12,547	494	453	271	41	1,992	7,031
Rhode Island.....	774	590	445	184	5,259	15,511	763	645	408	118	3,441	11,564
Vermont.....	690	363	161	327	2,576	8,709	456	452	178	4	682	3,546
Region II:												
New York.....	16,516	12,448	6,089	4,068	138,409	346,648	20,636	20,452	6,822	184	50,631	159,497
Region III:												
Delaware.....	312	254	144	58	2,200	5,862	687	687	227	0	898	3,154
New Jersey.....	5,664	4,360	3,049	1,304	40,778	117,811	7,221	6,254	2,215	967	25,168	70,569
Pennsylvania.....	6,152	5,334	3,759	818	89,816	241,798	8,656	8,547	3,628	109	32,509	94,009
Region IV:												
District of Columbia.....	2,169	1,687	651	482	6,722	14,555	2,393	2,316	989	77	3,760	9,279
Maryland.....	3,758	3,363	2,101	395	13,024	30,106	1,574	1,565	653	9	4,556	17,195
North Carolina.....	10,930	2,071	875	8,859	25,779	68,619	2,956	2,922	1,274	34	7,039	26,166
Virginia.....	4,181	2,625	1,580	1,556	13,177	33,034	2,834	2,795	1,318	39	5,103	13,851
West Virginia.....	1,350	1,118	762	232	14,133	50,593	1,891	1,800	819	1	3,292	10,625
Region V:												
Kentucky.....	2,540	2,391	1,819	149	11,133	67,790	1,558	1,530	608	28	3,814	16,301
Michigan.....	6,929	6,359	3,637	590	50,130	117,956	4,363	4,321	2,242	42	14,071	36,326
Ohio.....	7,855	7,460	3,878	395	49,938	225,121	8,562	8,510	3,622	52	17,220	83,552
Region VI:												
Illinois.....	8,416	7,216	3,934	1,200	55,715	133,621	8,477	8,402	4,090	75	19,773	53,555
Indiana.....	5,534	5,263	3,610	271	29,585	107,663	4,981	4,879	2,241	102	8,955	39,306
Wisconsin.....	4,115	3,414	1,548	701	19,498	79,041	3,006	2,944	1,331	62	7,168	21,890
Region VII:												
Alabama.....	1,568	1,342	901	226	17,022	75,232	1,421	1,416	937	5	5,114	18,555
Florida.....	11,818	2,614	1,985	9,204	19,240	51,936	2,439	2,423	2,061	16	7,280	19,590
Georgia.....	4,626	2,422	855	2,204	21,385	98,873	2,200	2,160	1,078	40	7,729	41,897
Mississippi.....	2,710	838	577	1,872	10,982	45,508	1,257	1,243	806	14	3,218	13,575
South Carolina.....	5,558	1,029	493	4,529	12,657	35,605	871	811	480	60	2,239	12,498
Tennessee.....	5,729	1,970	1,042	3,759	11,019	78,648	2,459	2,442	1,394	17	4,479	34,376
Region VIII:												
Iowa.....	3,664	2,808	907	856	14,933	59,621	2,259	2,069	812	190	4,837	17,880
Minnesota.....	2,516	2,331	1,040	185	20,974	86,343	2,179	2,148	1,033	31	6,337	27,251
Nebraska.....	1,503	1,046	193	457	7,400	33,955	631	613	299	15	2,244	8,058
North Dakota.....	987	934	289	53	2,861	18,848	1,120	1,117	309	3	1,348	5,849
South Dakota.....	520	409	158	111	3,570	16,792	574	572	176	2	1,052	4,943
Region IX:												
Arkansas.....	6,042	3,773	450	2,269	10,838	32,633	2,607	2,561	704	46	2,753	8,277
Kansas.....	5,021	1,836	553	3,185	20,314	52,059	1,466	1,436	608	30	3,493	10,928
Missouri.....	5,787	3,710	1,958	2,077	51,066	143,858	4,005	3,921	1,738	84	11,357	45,010
Oklahoma.....	1,391	1,136	192	255	11,485	31,494	2,288	2,284	772	4	4,177	8,227
Region X:												
Louisiana.....	6,330	4,492	4,138	1,838	19,693	86,586	2,027	1,998	1,191	29	3,744	18,948
New Mexico.....	835	630	145	205	5,278	21,703	575	572	247	3	794	3,694
Texas.....	28,971	17,105	3,660	11,866	60,945	181,813	15,721	15,577	4,032	144	15,286	51,088
Region XI:												
Arizona.....	1,313	1,140	811	173	4,289	14,230	937	867	319	70	1,178	3,370
Colorado.....	1,775	1,652	551	123	11,828	39,479	1,407	1,376	588	31	2,885	12,024
Idaho.....	673	557	202	116	6,908	14,190	744	728	351	16	1,022	1,939
Montana.....	573	434	239	139	3,812	16,139	396	374	150	22	639	3,011
Utah.....	851	480	126	371	5,265	20,112	728	709	195	19	1,440	5,280
Wyoming.....	2,012	188	99	1,824	3,998	5,433	163	160	58	3	512	1,112
Region XII:												
California.....	14,845	12,378	6,276	2,467	83,967	271,934	11,086	10,848	4,137	238	33,206	125,576
Nevada.....	559	472	279	87	1,917	4,683	336	333	102	3	452	1,198
Oregon.....	3,443	2,422	909	1,021	15,878	34,849	2,063	1,993	463	70	3,205	7,165
Washington.....	2,772	1,623	820	1,149	24,966	65,283	2,135	2,045	754	90	5,980	16,008
Territories:												
Alaska.....	304	97	36	207	711	1,491	64	62	13	2	94	210
Hawaii.....	891	268	88	623	1,140	5,913	183	172	57	11	201	1,498

States reporting decreases showed declines of 10 percent or more in average weekly claim receipts filed for all types of unemployment.

Weekly claim receipts were at their highest level—901,000—in the week ended December 7. Thereafter, the weekly average of continued claims

**Table 3.—Continued claims received, weeks compensated, and benefits paid, by State, December 1940**

[Data reported by State agencies, corrected to Jan. 23, 1941]

Social Security Board region and State	Continued claims <sup>1</sup>			Weeks compensated					Benefits paid				
	Total number	Per- centage change from Novem- ber	Compens- able	Number	Per- centage change from Novem- ber	Type of unemployment			Amount <sup>2</sup>	Per- centage change from Novem- ber	Type of unemployment		
						Total	Partial and part-total combined <sup>3</sup>	Partial only <sup>4</sup>			Total	Partial and part-total combined <sup>3</sup>	Partial only <sup>4</sup>
Total.....	3,992,817	+10.2	3,168,211	2,976,330	+2.8	2,629,571	346,759		\$30,886,400	+4.5	\$28,597,649	\$2,272,185	
Region I:													
Connecticut.....	35,321	+10.6	24,826	24,704	-1.1	20,014	4,690	(*)	227,009	+5	198,700	27,844	(*)
Maine.....	45,002	+4.6	39,748	39,465	+8.2	30,466	8,999	8,110	252,211	+6.4	203,843	48,368	\$43,540
Massachusetts.....	239,102	+13.9	211,409	184,527	-6.8	153,201	31,326	29,883	1,775,192	-6.2	1,600,749	173,152	163,701
New Hampshire.....	27,524	-10.0	21,245	21,740	+9	12,748	8,992	(*)	158,271	-1.2	111,619	46,652	(*)
Rhode Island.....	34,473	+16.2	24,972	24,972	+5.6	20,921	4,051	(*)	256,440	+8.5	236,756	19,684	(*)
Vermont.....	9,852	+31.7	6,906	6,545	+22.2	5,834	711	572	55,310	+25.8	51,874	3,430	2,480
Region II:													
New York.....	687,426	+11.2	544,461	504,507	+1.8	504,507	(*)	(*)	5,975,857	+2.7	5,975,857	(*)	(*)
Region III:													
Delaware.....	8,001	+32.5	6,841	6,798	+33.1	4,605	2,193	2,071	51,080	+31.5	40,704	10,310	9,574
New Jersey.....	146,760	+15.5	98,687	90,957	-6	90,957	(*)	(*)	883,895	-5	883,895	(*)	(*)
Pennsylvania.....	321,789	+32.6	227,136	193,374	+10.2	193,374	(*)	(*)	2,135,956	+13.2	2,135,956	(*)	(*)
Region IV:													
District of Colum- bia.....	20,873	-2.6	17,969	17,848	+3.4	16,817	1,031	(*)	212,390	+5.3	200,226	11,089	(*)
Maryland.....	45,916	-5.8	41,274	35,307	-16.2	27,999	7,308	7,112	300,520	-16.4	259,183	41,311	40,084
North Carolina.....	68,737	+10.3	56,183	49,847	-5	47,267	2,580	2,157	226,447	-4.6	219,186	7,138	5,231
Virginia.....	44,335	+5	38,190	35,040	-8.5	29,448	5,592	4,493	275,427	-4.9	244,847	30,530	23,561
West Virginia.....	37,065	+7.6	27,631	24,868	+2.0	24,582	286	(*)	208,317	+1.0	206,203	2,114	(*)
Region V:													
Kentucky.....	28,021	-10.5	23,698	44,305	-6.0	36,053	8,252	(*)	326,156	-7.5	284,687	40,443	(*)
Michigan.....	103,741	+13.8	84,767	66,303	-15.5	62,903	3,400	(*)	738,288	-14.1	739,136	19,152	(*)
Ohio.....	209,007	+5.2	148,034	137,209	-3.1	112,292	24,917	(*)	1,256,573	+1.2	1,138,663	117,910	(*)
Region VI:													
Illinois.....	255,638	-1.3	217,046	231,842	+4.0	154,368	77,474	60,427	2,616,553	+6.6	2,036,071	575,298	421,608
Indiana.....	59,145	-8.2	46,190	40,123	-11.6	36,868	9,255	(*)	437,222	-9.2	387,957	49,041	(*)
Wisconsin.....	44,079	+28.5	28,058	24,836	+14.4	21,305	3,531	1,990	259,543	+18.0	236,213	23,330	11,528
Region VII:													
Alabama.....	56,569	-7.5	45,113	47,084	-3.3	44,721	2,363	1,390	304,544	-3.0	292,375	11,946	6,575
Florida.....	38,410	-11.4	30,867	30,546	-25.2	25,329	5,217	(*)	266,076	-24.0	257,078	38,998	(*)
Georgia.....	45,855	-8.5	36,563	37,374	-5.7	35,059	2,315	1,300	246,097	-5.0	237,085	9,012	5,245
Mississippi.....	26,034	+9.0	21,177	19,376	+1	17,755	1,621	873	124,307	+1.7	115,860	8,417	4,614
South Carolina.....	28,001	-7.9	23,116	20,645	-18.0	18,091	2,554	932	135,788	-18.0	123,931	11,777	3,874
Tennessee.....	70,463	-5	59,714	46,762	-10.6	41,839	4,923	1,960	328,885	-11.3	307,139	21,746	7,861
Region VIII:													
Iowa.....	41,460	+24.6	26,065	27,325	+46.4	23,294	4,031	878	247,799	+52.8	224,981	22,506	3,980
Minnesota.....	85,615	+36.8	69,775	74,250	+50.8	70,374	3,876	(*)	766,301	+56.8	717,947	48,354	(*)
Nebraska.....	18,484	+26.5	14,874	15,057	+34.9	13,608	1,449	645	138,452	+39.9	127,643	10,809	4,856
North Dakota.....	7,361	+64.4	5,972	4,767	+56.2	4,497	270	61	47,104	+66.9	45,033	2,071	398
South Dakota.....	6,342	+70.7	4,308	4,125	+65.7	3,964	161	(*)	31,422	+70.6	30,287	1,128	(*)
Region IX:													
Arkansas.....	35,511	+25.2	25,774	25,774	+20.1	23,948	1,826	122	157,433	+19.8	150,429	6,994	432
Kansas.....	28,106	+15.3	15,923	16,133	+11.4	14,147	1,986	1,094	144,398	+11.0	131,233	13,165	6,693
Missouri.....	106,072	-1.2	69,396	74,140	+10.8	51,648	22,492	17,336	597,292	+16.4	475,959	121,316	92,817
Oklahoma.....	35,653	+8.1	27,215	27,181	+15.6	22,760	4,431	695	251,855	+14.4	223,781	28,074	3,206
Region X:													
Louisiana.....	70,042	+7.4	56,677	55,541	+8.1	50,194	5,347	(*)	497,844	+7.6	459,679	37,616	(*)
New Mexico.....	12,439	+7.7	10,495	10,602	+14.7	9,924	678	282	94,686	+12.3	89,744	4,942	1,901
Texas.....	120,981	+3.0	106,032	77,444	+4.6	65,370	12,074	(*)	617,264	+3.2	556,217	60,924	(*)
Region XI:													
Arizona.....	11,098	-1.2	8,163	8,168	-3.4	7,605	563	27	86,650	-4.2	82,456	4,194	160
Colorado.....	28,752	+8.6	24,270	23,880	+6.2	21,685	2,195	1,377	239,854	+9.3	222,432	17,326	10,596
Idaho.....	21,197	+58.8	15,652	12,210	+40.7	11,622	588	(*)	137,299	+43.5	132,570	4,662	(*)
Montana.....	28,275	+36.7	22,064	20,665	+41.9	20,665	(*)	(*)	226,816	+43.9	226,816	(*)	(*)
Utah.....	18,182	+24.8	14,205	12,990	+13.0	11,708	1,282	246	135,938	+17.5	127,348	8,590	1,458
Wyoming.....	7,462	+25.0	5,661	5,485	+23.4	4,885	600	189	69,358	+27.9	63,522	5,836	1,590
Region XII:													
California.....	463,627	+13.2	403,397	380,815	+5.4	331,853	48,962	34,121	5,249,874	+5.4	4,805,038	439,623	300,533
Nevada.....	9,276	+10.3	7,809	7,792	+20.9	7,188	604	305	102,458	+21.6	96,468	5,990	2,872
Oregon.....	21,386	-15.8	18,309	16,577	-12.6	14,024	2,553	1,873	197,212	-12.0	177,376	19,464	13,931
Washington.....	72,295	+21.3	59,789	58,952	+24.3	52,076	6,876	(*)	724,470	+25.2	666,965	57,505	(*)
Territories:													
Alaska.....	2,959	+2.6	2,191	1,812	+21.0	1,696	116	0	26,405	+22.9	25,243	1,162	0
Hawaii.....	3,083	-25.9	2,395	1,741	-33.4	1,523	218	194	13,922	-29.5	12,680	1,242	1,076

<sup>1</sup> Waiting-period claims are represented by difference between total number and number of compensable claims.

<sup>2</sup> Benefits for partial and part-total unemployment are not provided by State law in Montana, New Jersey, New York, and Pennsylvania.

<sup>3</sup> Includes supplemental payments, not classified by type of unemployment.

<sup>4</sup> Data for partial unemployment included with data for part-total unemployment.

<sup>5</sup> Payments for partial and part-total unemployment are made for benefit periods of 1 quarter. Number of weeks represented by each such payment is determined by dividing payment by claimant's benefit rate for total unemployment.

<sup>6</sup> Excludes 1 payment amounting to \$4 arising from recalculation of weekly benefit amounts and 9 payments for 21 weeks amounting to \$251 for payment of miners' claims resulting from labor dispute in 1939.

received for all types of unemployment declined continuously to 853,000 in the week ended Decem-

**Table 4.—Continued claims received for all types of unemployment,<sup>1</sup> by State, for weeks ended in December 1940**

[Data reported by State agencies, corrected to Jan. 22, 1941]

[In thousands]

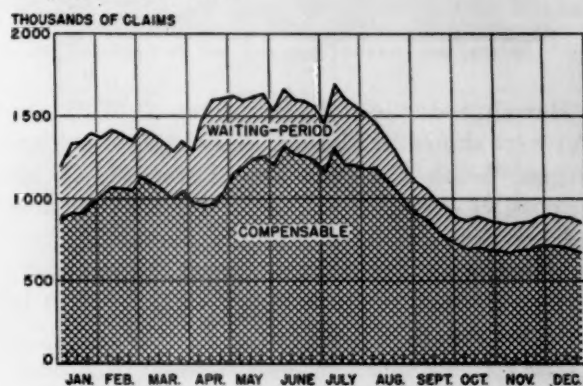
Social Security Board region and State	Weekly average		Number for week ended—			
	Num- ber	Percent- age change from Novem- ber	Dec. 7	Dec. 14	Dec. 21	Dec. 28
Types of unemployment:						
All types	882.3	+2.6	901.2	896.2	878.9	852.9
Total only	779.9	+4.5	784.8	786.1	782.1	766.7
All types						
Region I:						
Connecticut	8.1	+4.9	8.7	8.3	8.0	7.5
Maine	10.3	+3.5	12.8	10.5	9.3	8.5
Massachusetts	48.8	-5.9	50.3	48.3	45.2	51.3
New Hampshire	6.2	-10.9	7.1	7.5	5.2	5.4
Rhode Island	7.8	+8.2	7.2	7.4	9.0	7.5
Vermont	2.2	+24.3	2.0	2.2	2.1	2.5
Region II:						
New York <sup>2</sup>	154.2	+4.9	149.0	156.3	155.3	156.2
Region III:						
Delaware	1.7	+8.1	1.5	2.0	2.0	1.4
New Jersey <sup>2</sup>	32.3	+6.7	30.4	31.0	32.0	33.8
Pennsylvania <sup>2</sup>	68.0	+13.2	81.7	62.5	61.8	65.9
Region IV:						
District of Columbia	4.7	-5.5	4.9	4.8	4.7	4.4
Maryland	10.4	-10.3	11.2	10.7	10.1	9.6
North Carolina	14.6	-1.6	17.5	15.6	15.0	10.4
Virginia	9.7	-6.9	9.1	10.5	10.7	8.6
West Virginia	8.5	+2.7	8.5	8.3	8.5	8.5
Region V:						
Kentucky	6.2	-13.7	7.5	6.4	6.6	4.3
Michigan	21.4	-5.1	21.6	20.6	22.5	21.0
Ohio	47.7	+4.7	46.8	50.1	46.4	47.5
Region VI:						
Illinois	58.2	-4.7	62.1	60.9	57.6	52.3
Indiana	13.4	-10.1	14.3	12.9	14.5	11.8
Wisconsin	9.6	+17.5	8.9	9.7	9.7	10.0
Region VII:						
Alabama	12.9	-9.4	13.9	13.6	13.4	10.6
Florida	8.2	-25.4	7.7	8.1	7.8	9.2
Georgia	10.5	-10.8	11.4	11.5	10.4	8.7
Mississippi	5.8	+4.0	5.7	5.8	5.8	5.9
South Carolina	6.1	-15.2	7.3	7.5	6.4	3.2
Tennessee	14.6	-14.5	16.4	18.0	15.1	9.1
Region VIII:						
Iowa	9.2	+29.3	8.7	8.9	9.5	9.9
Minnesota	20.8	+42.1	14.7	23.3	23.8	21.5
Nebraska	4.1	+23.0	3.7	3.9	4.4	4.6
North Dakota	1.6	+55.3	1.4	1.6	1.6	1.8
South Dakota	1.4	+67.7	1.3	1.4	1.5	1.5
Region IX:						
Arkansas	7.4	+9.2	8.3	7.7	8.3	5.1
Kansas	6.5	+15.1	6.7	6.2	6.7	6.3
Missouri	24.4	-3.1	28.1	25.0	23.2	21.0
Oklahoma	7.9	+2.0	8.4	8.1	7.9	7.3
Region X:						
Louisiana	15.9	+4.7	15.4	15.9	16.6	15.5
New Mexico	2.8	+5.5	2.9	2.8	2.8	2.7
Texas	27.6	-2	28.3	28.1	27.4	26.5
Region XI:						
Arizona	2.6	-1.1	2.6	2.6	2.5	2.6
Colorado	6.6	+5.4	6.3	6.8	6.6	6.5
Idaho	4.6	+52.8	3.9	4.9	5.0	4.8
Montana <sup>2</sup>	6.4	+36.8	6.1	6.2	6.5	6.9
Utah	4.0	+16.6	4.1	4.1	4.0	4.0
Wyoming	1.7	+25.4	1.7	1.6	1.7	1.7
Region XII:						
California	101.1	+4.7	100.8	101.4	101.2	100.9
Nevada	2.2	+16.8	2.1	2.2	2.0	2.4
Oregon	5.0	-16.3	5.4	5.2	4.8	4.4
Washington	15.0	+10.9	13.4	15.8	14.3	16.7
Territories:						
Alaska	.7	+10.4	.6	.7	.8	.6
Hawaii	.7	-25.6	.8	.8	.7	.6

<sup>1</sup> Represents claims for total, part-total, and partial unemployment.

<sup>2</sup> See table 3, footnote 2.

ber 28. The sharpest percentage declines in weekly claim receipts from the beginning to the end of the month occurred in Arkansas, Kentucky, North Carolina, South Carolina, and Tennessee. Contrary to the Nation-wide trend, 21 States reported higher receipts of continued claims for the week ended December 28 than for the week ended December 7. The sharpest deviations from the general trend appeared among the North Central States. Increases in these States ranged from 14 to 46 percent.

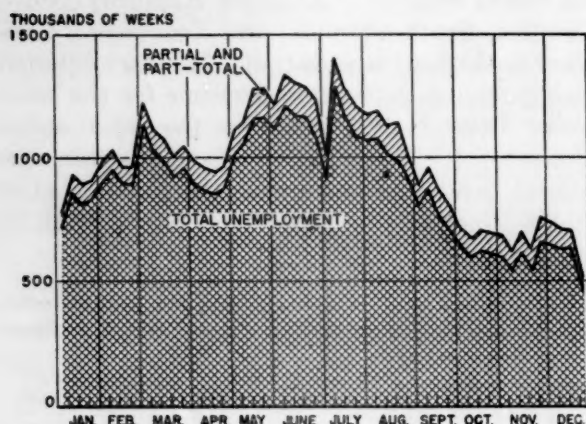
**Chart 4.—Number of waiting-period and compensable continued claims received, for weeks ended in January–December 1940**



Average weekly continued claim receipts for total unemployment in December approximated 780,000, an increase of 4.5 percent over the previous month. Claim receipts for partial and part-total unemployment, on the other hand, declined 8.6 percent from November.

**Benefit payments.**—The \$31 million in benefit payments issued to unemployed workers in December represented an increase of 4.5 percent over November but was the second lowest monthly disbursement in 1940. Seasonal factors largely accounted for increases over November in practically all States west of the Mississippi River. Of the 34 States reporting increases, the sharpest—in excess of 50 percent—were reported by Iowa, Minnesota, North Dakota, and South Dakota; rises of more than 40 percent were reported by Idaho and Montana. Thirteen States reported increases of less than 10 percent. Only 2 of the leading industrial States—Pennsylvania and Wisconsin—reported increases of more than 10 percent over the previous month. Among the 17 States reporting decreased disbursements in December, the sharpest decline of 30 percent occurred

Chart 5.—Number of weeks compensated, by type of unemployment, for weeks ended in January-December 1940



in Hawaii; reductions ranging from 10 to 25 percent were shown in Florida, Maryland, Michigan, Oregon, South Carolina, and Tennessee. With the possible exception of Oregon, defense contracts and construction have strongly stimulated employment in all these States. In 11 States benefit payments issued in December were lower than in any other month of 1940.

**Weeks compensated.**—Approximately 3 million weeks of unemployment were compensated during the month, an increase of 2.8 percent from November. More than 2.6 million or 88 percent of all weeks of unemployment compensated were for total unemployment. Weeks of partial and part-total unemployment numbered 347,000, a decline of 4.5 percent from the previous month. Fewer weeks of partial and part-total unemployment were reported by 23 States. Among the States in which weeks of partial and part-total unemployment comprise a substantial proportion of all weeks compensated, declines of 25 percent or more in the number of weeks of partial and part-total unemployment compensated occurred in Florida, Indiana, Maryland, and Virginia; Delaware, on the other hand, reported an increase of 43 percent over November.

**Average number of claimants.**—Although the number of claimants receiving first benefit payments exceeded those exhausting benefit rights by 51 percent, the number of benefit recipients declined further in December. The average number of claimants receiving benefits in December declined 1.4 percent from November to 667,000 (table 5), the low point of the year and the sixth

Table 5.—Average number of claimants receiving benefits, number receiving first payments, and number exhausting benefit rights, by State, December 1940  
[Data reported by State agencies, corrected to Jan. 22, 1941]

Social Security Board region and State	Average number of claimants receiving benefits <sup>1</sup>		Claimants receiving first payments		Number of claimants exhausting benefit rights
	Number	Percentage change from November	Number	Percentage change from November	
Total.....	666,636	-1.4	244,024	+4.6	161,633
Region I:					
Connecticut.....	5,633	+1.6	3,128	+4	1,617
Maine.....	9,049	+7.6	1,933	-16.3	1,796
Massachusetts.....	42,097	-6.6	11,330	-12.9	7,725
New Hampshire.....	4,925	-8	1,308	-21.6	1,115
Rhode Island.....	5,744	+3	2,097	+16.2	1,404
Vermont.....	1,486	+20.1	545	+22.7	338
Region II:					
New York.....	115,034	-2.2	38,991	-2.1	33,646
Region III:					
Delaware.....	1,455	+5.0	890	+53.7	502
New Jersey.....	21,224	+2.2	9,871	-1.0	6,283
Pennsylvania.....	44,977	+1.9	20,286	+5.9	15,889
Region IV:					
District of Columbia.....	4,010	-6	1,270	-9.2	604
Maryland.....	8,362	-13.2	1,887	-25.6	1,796
North Carolina.....	11,006	+6.3	3,811	+32.9	2,129
Virginia.....	7,759	-13.9	3,252	+5.4	1,772
West Virginia.....	5,653	-5.1	2,436	+29.4	1,473
Region V:					
Kentucky.....	10,034	-10.3	2,794	-11.4	2,152
Michigan.....	16,576	-10.0	8,424	-20.9	2,833
Ohio.....	29,976	-11.4	10,299	+2.8	6,517
Region VI:					
Illinois.....	51,222	-2.6	18,344	+28.4	11,309
Indiana.....	10,599	-11.2	( <sup>2</sup> )		( <sup>2</sup> )
Wisconsin.....	5,660	+11.3	( <sup>2</sup> )		( <sup>2</sup> )
Region VII:					
Alabama.....	10,906	-5.6	2,989	-11.8	2,029
Florida.....	6,805	-30.6	2,104	+10.6	2,235
Georgia.....	8,549	-8.8	3,414	-5.1	3,084
Mississippi.....	4,121	-3.0	1,843	+26.5	1,276
South Carolina.....	4,499	-28.4	1,677	-10.1	921
Tennessee.....	10,284	-15.6	3,466	-4.6	2,138
Region VIII:					
Iowa.....	5,745	+26.7	3,627	+74.5	1,977
Minnesota.....	17,477	+51.1	6,416	+67.7	4,096
Nebraska.....	3,237	+22.0	1,295	+47.5	806
North Dakota.....	1,050	+49.8	471	+59.7	228
South Dakota.....	890	+56.4	507	+101.2	170
Region IX:					
Arkansas.....	5,192	+1.0	2,886	+47.4	1,317
Kansas.....	3,784	+12.8	2,165	+16.6	1,333
Missouri.....	17,152	+12.4	9,867	-1.4	5,208
Oklahoma.....	5,818	+3.8	3,200	+18.9	2,376
Region X:					
Louisiana.....	12,076	( <sup>2</sup> )	5,143	+31.2	3,331
New Mexico.....	2,324	+7.2	835	+25.8	526
Texas.....	16,881	-1.9	7,497	+6	4,987
Region XI:					
Arizona.....	1,864	-6.2	857	+6.1	568
Colorado.....	5,399	+3.2	2,039	+12.0	983
Idaho.....	2,607	+36.0	1,361	+57.7	694
Montana.....	4,745	+42.6	2,375	+65.7	741
Utah.....	3,030	+11.3	1,660	+52.7	638
Wyoming.....	1,228	+21.3	412	+24.5	347
Region XII:					
California.....	79,157	-2.8	28,382	-3.8	13,623
Nevada.....	1,698	+20.8	689	+6.5	267
Oregon.....	4,144	-2.9	1,342	-30.2	1,507
Washington.....	12,609	+20.4	5,190	+13.6	3,125
Territories:					
Alaska.....	392	+26.9	228	+6.0	67
Hawaii.....	402	-32.2	191	-43.6	196

<sup>1</sup> Represents average number of weeks of unemployment compensated during weeks ended within month.

<sup>2</sup> Excludes Indiana and Wisconsin.

<sup>3</sup> Represents claimants exhausting benefit rights under uniform-duration provisions of State law.

<sup>4</sup> Excludes miners receiving benefits resulting from a labor dispute in 1939.

<sup>5</sup> Data not comparable. <sup>6</sup> Decrease of 0.1 percent.

successive monthly decrease. In general, States showing declines were concentrated in the Great Lakes and Southeast and Gulf areas. Fewer recipients were reported in 24 States, with the sharpest reductions of more than 28 percent shown for Florida, Hawaii, and South Carolina. Defense construction activities and increasing employment in Florida winter resorts and in South Carolina textile mills contributed to the decreases in these States. Declines ranging between 10 and 16 percent were shown in 7 other States, and 9 of the 15 leading industrial States reported fewer benefit recipients than in November. In 15 States the average number of benefit recipients was the lowest for the year. On the other hand, increased recipients were reported by 27 States, the majority of them located west of the Mississippi. Increases of more than 50 percent were reported by Minnesota and South Dakota, and of more than 35 percent by Idaho, Montana, and North Dakota. Continued seasonal curtailment in canning, construction, and logging operations contributed to the rises in most of the States reporting increased recipients during December.

**First payments.**—More than 244,000 claimants received first payments in December, an increase of 4.6 percent over November. Among the 32 States reporting increased first payments in December, South Dakota, with double the number of the previous month, reported the largest gain. The number of first payments increased by more than 50 percent in 7 other States. Fewer first payments were shown by 17 States, many of which have been especially influenced by the defense program. The sharpest decrease of 44 percent from November was shown in Hawaii; in Maryland, Michigan, New Hampshire, and Oregon reductions ranged between 20 and 30 percent. In addition to Maryland and Michigan, fewer first benefit recipients than in November were reported by such leading industrial States as California, Massachusetts, New Jersey, and New York. In 9 States, fewer claimants received first payments in December than in any other month during this year.

**Benefit exhaustions.**—Approximately 162,000 claimants exhausted benefit rights in December, a slight increase over November and the first rise in exhaustions since July. Claimants exhausting benefit rights in December were fewer than in any month this year except November, since the

majority of benefit recipients who initiated benefit years earlier in 1940 had already drawn their last

**Table 6.—Number of weeks of unemployment compensated and amount of benefits on interstate claims<sup>1</sup> received as liable and as agent State, by State, December 1940**

[Data reported by State agencies, corrected to Jan. 28, 1941]

Social Security Board region and State	Number of weeks of unemployment compensated on interstate claims received as—		Amount of benefits on interstate claims re- ceived as—	
	Liable State	Agent State	Liable State	Agent State
Total.....	159,242	159,242	\$1,823,656	\$1,823,656
Region I:				
Connecticut.....	2,130	2,062	23,124	22,984
Maine.....	1,232	1,090	9,300	11,714
Massachusetts.....	5,529	4,928	61,129	50,649
New Hampshire.....	2,050	1,190	18,686	11,842
Rhode Island.....	1,464	1,516	17,417	16,835
Vermont.....	648	406	5,894	4,489
Region II:				
New York.....	17,723	8,861	217,105	102,772
Region III:				
Delaware.....	509	301	5,228	4,185
New Jersey.....	3,641	4,694	37,394	53,397
Pennsylvania.....	5,482	6,329	62,975	69,697
Region IV:				
District of Columbia.....	2,423	1,549	32,265	16,035
Maryland.....	1,831	1,854	18,992	19,559
North Carolina.....	2,267	1,752	13,973	17,462
Virginia.....	2,450	2,477	23,851	23,619
West Virginia.....	2,304	1,539	19,798	17,365
Region V:				
Kentucky.....	3,044	2,355	25,024	24,636
Michigan.....	3,057	4,157	38,004	44,880
Ohio.....	3,986	4,170	42,143	46,794
Region VI:				
Illinois.....	10,900	6,140	146,190	69,144
Indiana.....	2,113	3,091	24,526	34,082
Wisconsin.....	646	1,678	8,094	21,092
Region VII:				
Alabama.....	3,038	2,345	23,369	22,097
Florida.....	2,428	10,641	28,634	123,059
Georgia.....	2,353	2,446	19,101	22,965
Mississippi.....	1,326	1,710	10,916	16,729
South Carolina.....	854	1,389	6,678	11,373
Tennessee.....	2,612	2,978	22,866	29,466
Region VIII:				
Iowa.....	1,673	2,304	17,571	27,090
Minnesota.....	2,313	2,420	24,932	29,584
Nebraska.....	1,912	1,462	19,432	17,649
North Dakota.....	624	691	6,677	8,135
South Dakota.....	459	693	4,205	8,619
Region IX:				
Arkansas.....	2,712	3,242	21,883	37,525
Kansas.....	2,143	2,672	21,267	30,707
Missouri.....	3,105	5,443	29,279	64,830
Oklahoma.....	3,206	5,582	32,527	67,430
Region X:				
Louisiana.....	3,022	2,334	35,418	24,364
New Mexico.....	2,236	1,162	23,563	13,585
Texas.....	4,728	6,312	47,093	76,220
Region XI:				
Arizona.....	2,288	2,073	25,674	25,789
Colorado.....	3,002	2,645	31,673	32,305
Idaho.....	2,469	1,923	31,127	24,274
Montana.....	3,225	1,414	37,140	18,928
Utah.....	1,361	1,579	15,439	21,640
Wyoming.....	1,566	516	21,613	5,853
Region XII:				
California.....	19,835	17,986	292,791	205,387
Nevada.....	2,065	1,171	27,995	15,795
Oregon.....	1,583	4,600	19,504	61,917
Washington.....	4,696	6,827	60,356	89,006
Territories:				
Alaska.....	831	243	12,706	3,303
Hawaii.....	98	203	1,115	2,719
Unallocated.....		7		78

<sup>1</sup> Includes claims for partial unemployment for a number of States although such payments are not provided in the interstate benefit-payment plan.

<sup>2</sup> Represents claims received by Washington as liable State for which break-down by agent State was not reported.

**Table 7.—State unemployment compensation funds available for benefits, cumulative collections and interest, and benefits paid, by State, for specified periods through December 1940**

[Data reported by State agencies,<sup>1</sup> corrected to Jan. 29, 1941]

[Amounts in thousands]

Social Security Board region and State	Month and year benefits first payable	Funds available for benefits as of Dec. 31, 1940		Collections <sup>4</sup>					Benefits paid <sup>7</sup>			
		Amount <sup>2</sup>	Percent-age change from Sept. 30, 1940 <sup>3</sup>	Cumulative through December 1940 <sup>5</sup>		January-December 1940	October-December 1940		Cumulative through December 1940 <sup>6</sup>	January-December 1940	October-December 1940	
				Collections and interest <sup>5</sup>	Collections		Amount	Percent-age change from July-September 1940			Amount	Percent-age change from July-September 1940
Total.....		\$1,817,100	+4.6	\$3,259,277	\$3,155,273	\$853,824	\$213,303	+2.8	\$1,343,931	\$518,700	\$92,283	-36.0
<b>Region I:</b>												
Connecticut.....	January 1938.....	<sup>11</sup> 42,382	+12.1	65,726	63,803	19,122	5,026	+8.1	22,554	5,174	690	-39.9
Maine.....	do.....	<sup>11</sup> 4,020	+10.4	15,305	15,033	4,060	1,053	+10.3	11,029	3,467	699	-17.9
Massachusetts.....	do.....	<sup>11</sup> 78,171	+5.7	158,384	153,339	38,383	9,367	+2.3	77,900	31,150	5,631	-42.1
New Hampshire.....	do.....	<sup>11</sup> 6,008	+2.6	12,831	12,425	2,643	566	-27.0	6,586	2,305	437	+5.2
Rhode Island <sup>12</sup> .....	do.....	<sup>11</sup> 11,647	+16.9	34,718	34,010	9,846	2,432	+2.3	22,919	7,880	817	-56.3
Vermont.....	do.....	<sup>11</sup> 3,224	+9.3	5,860	5,678	1,342	397	+4.7	2,309	914	142	-5.0
<b>Region II:</b>												
New York.....	do.....	<sup>11</sup> 205,232	+4.1	478,238	465,303	127,069	31,480	+1.0	266,148	98,798	17,802	-43.0
<b>Region III:</b>												
Delaware.....	January 1939.....	<sup>11</sup> 6,964	+7.7	8,979	8,644	2,404	592	+5.1	1,554	843	136	-23.3
New Jersey <sup>13</sup> .....	do.....	<sup>11</sup> 130,839	+8.3	165,978	159,655	48,684	12,454	+2.8	30,871	15,965	2,639	-33.2
Pennsylvania.....	January 1938.....	<sup>11</sup> 131,837	+11.0	308,944	301,645	83,464	20,329	+1.9	170,408	44,261	6,740	-41.1
<b>Region IV:</b>												
Dist. of Col.....	do.....	<sup>11</sup> 19,752	+4.9	25,745	24,657	5,742	1,409	( <sup>14</sup> )	5,203	2,107	608	+30.6
Maryland.....	do.....	<sup>11</sup> 21,160	+12.0	44,908	43,848	12,623	3,192	+4.4	22,553	6,662	1,048	-41.9
North Carolina <sup>15</sup> .....	do.....	<sup>11</sup> 24,434	+5.1	42,712	41,500	11,283	2,943	+11.3	17,174	4,564	800	-45.4
Virginia.....	do.....	<sup>11</sup> 19,320	-3.6	37,760	36,630	9,965	2,526	+3.4	15,986	5,863	914	-49.5
West Virginia <sup>15</sup> .....	do.....	<sup>11</sup> 19,960	+11.0	40,248	39,391	10,397	2,642	-1.7	20,208	3,930	696	-48.7
<b>Region V:</b>												
Kentucky <sup>12</sup> .....	January 1939.....	32,400	+6.1	42,025	40,344	10,739	2,700	+8	9,624	4,761	1,030	-18.7
Michigan.....	July 1938.....	<sup>11</sup> 70,041	+13.4	176,181	172,060	50,871	12,775	-1.7	104,208	27,191	2,970	-76.6
Ohio.....	January 1939.....	<sup>11</sup> 161,602	+7.2	218,386	209,574	58,574	14,583	+3.8	48,249	24,587	3,754	-36.9
<b>Region VI:</b>												
Illinois.....	July 1939.....	<sup>11</sup> 189,928	-1.8	264,117	254,053	69,711	16,810	-5	60,348	43,565	7,667	-35.2
Indiana.....	April 1938.....	<sup>11</sup> 43,968	+10.2	83,121	80,458	21,378	5,543	+4.3	35,962	9,437	1,417	-45.3
Wisconsin <sup>16</sup> .....	July 1936.....	<sup>11</sup> 57,129	+6.6	78,698	74,672	12,191	3,973	+45.0	<sup>10</sup> 19,605	4,483	696	-44.8
<b>Region VII:</b>												
Alabama <sup>12</sup> .....	January 1938.....	17,166	+10.3	34,346	33,459	9,724	2,494	+4.1	17,180	4,767	987	-28.0
Florida.....	January 1939.....	<sup>11</sup> 12,087	-8.5	23,460	22,679	6,484	1,538	+3.0	9,865	6,262	1,391	-43.1
Georgia.....	do.....	25,607	+6.1	33,282	32,049	8,778	2,143	+4	7,674	4,436	813	-43.9
Mississippi.....	April 1938.....	<sup>11</sup> 4,015	-8.8	9,717	9,428	2,558	635	+4	5,059	2,200	403	-32.7
South Carolina.....	July 1938.....	<sup>11</sup> 11,486	+6.8	17,390	16,709	4,608	1,170	+8	5,213	2,474	509	-29.1
Tennessee.....	January 1938.....	15,597	+7.1	32,517	31,634	8,482	2,119	+2.7	16,920	6,197	1,179	-35.2
<b>Region VIII:</b>												
Iowa.....	July 1938.....	<sup>11</sup> 16,638	+9.0	30,557	29,574	7,653	1,874	-1	11,797	3,987	603	-25.9
Minnesota.....	January 1938.....	<sup>11</sup> 23,944	+5.8	51,966	50,500	12,347	2,905	+2.8	25,505	9,746	1,725	-5.7
Nebraska.....	January 1939.....	<sup>11</sup> 9,350	+8	14,175	13,609	2,730	575	-1.9	3,143	1,840	341	+1.9
North Dakota <sup>15</sup> .....	do.....	<sup>11</sup> 2,115	-16.8	3,856	3,715	863	232	+7.3	1,164	619	96	-6.2
South Dakota.....	do.....	<sup>11</sup> 3,146	+6.3	4,318	4,136	1,082	277	+5.9	768	374	66	-12.2
<b>Region IX:</b>												
Arkansas.....	do.....	<sup>11</sup> 6,551	-9.1	12,429	12,012	3,364	850	+9.2	4,790	2,975	455	-46.6
Kansas.....	do.....	<sup>11</sup> 13,883	+4.2	20,922	20,088	4,653	1,182	+2.1	4,315	2,027	399	+6.8
Missouri.....	do.....	<sup>11</sup> 58,106	-2.0	75,697	72,780	19,688	4,876	+2.1	12,720	7,259	1,558	-15.0
Oklahoma.....	December 1938.....	<sup>11</sup> 16,762	-8	25,782	24,735	6,193	1,474	-2.3	8,020	3,707	720	-15.3
<b>Region X:</b>												
Louisiana.....	January 1938.....	<sup>11</sup> 17,571	-8.8	35,422	34,303	8,019	892	( <sup>14</sup> )	16,671	6,730	1,525	-22.8
New Mexico.....	December 1938.....	<sup>11</sup> 2,479	+1.4	5,443	5,252	1,401	356	+9	2,449	1,214	276	-15.8
Texas <sup>16</sup> .....	January 1938.....	<sup>11</sup> 54,794	+8.2	88,994	85,906	22,104	5,742	+6.5	29,972	9,921	1,902	-28.4
<b>Region XI:</b>												
Arizona.....	do.....	<sup>11</sup> 3,132	-3.4	8,204	8,011	2,082	479	-8.8	4,734	1,312	272	-19.7
Colorado.....	January 1939.....	<sup>11</sup> 9,983	+5.6	19,145	18,425	4,659	1,147	+4.6	7,634	4,169	676	-32.2
Idaho.....	September 1938.....	<sup>11</sup> 2,721	+7.6	7,667	7,450	1,958	547	+13.8	4,573	2,014	305	+17.7
Montana.....	July 1939.....	<sup>11</sup> 5,435	+2.3	10,533	10,162	2,725	732	+9.7	3,912	3,147	519	+18.6
Utah.....	January 1938.....	<sup>11</sup> 3,961	+6.8	10,298	10,057	2,750	728	+7.0	5,821	1,665	394	-10.0
Wyoming.....	January 1939.....	<sup>11</sup> 2,104	-17.2	5,078	4,917	1,163	316	+12.2	2,373	1,219	165	-12.5
<b>Region XII:</b>												
California <sup>18</sup> .....	January 1938.....	<sup>11</sup> 156,934	-1.4	291,969	282,129	76,309	19,560	+2.9	127,231	64,969	14,936	( <sup>19</sup> )
Nevada.....	January 1939.....	<sup>11</sup> 1,201	-22.4	3,490	3,387	939	252	+5.3	1,933	1,117	250	+28.4
Oregon.....	January 1938.....	<sup>11</sup> 10,116	+7.4	24,765	24,167	6,722	1,843	+9.5	14,058	4,089	613	-7.9
Washington.....	January 1939.....	<sup>11</sup> 22,402	-2.1	39,675	38,311	10,810	2,815	+4.5	15,599	9,453	1,751	+3.2
<b>Territories:</b>												
Alaska.....	do.....	1,187	+18.0	2,064	2,005	585	241	+50.2	877	527	67	-62.3
Hawaii.....	do.....	<sup>11</sup> 6,609	+6.8	7,252	6,962	1,910	517	+13.9	563	277	54	+25.7

<sup>1</sup> Except interest earned on funds in State accounts in the unemployment trust fund, which is credited and reported by the U. S. Treasury in last month of each quarter.

<sup>2</sup> Represents sum of balances at end of month in State clearing account, benefit-payment account, and unemployment trust fund account maintained in the U. S. Treasury.

<sup>3</sup> Not adjusted for transfers to railroad unemployment insurance account during October-December 1940.

<sup>4</sup> Represents contributions plus such penalties and interest collected from employers and contributions from employees as are available for benefit payments. Figures are adjusted for refunds of contributions and for disbursed contribution checks. Employer contributions of 2.7 percent of taxable

checks. Greater numbers of exhaustions than in November were reported by 32 States; increases of more than 43 percent were shown for the District of Columbia, Idaho, Maine, Minnesota, Ohio, North Dakota, and Washington. In Florida, Hawaii, and Oregon the number of exhaustions was greater than first payments.

**Interstate claims.**—Benefit payments of \$1.8 million, or 5.9 percent of total December disbursements, were issued to compensate for more than 159,000 weeks of unemployment on interstate claims (table 6), an increase of 6.4 percent over November. California, as liable State, compensated 20,000 weeks of unemployment on interstate claims—the largest number received by any State—followed by New York and Illinois with 18,000 and 11,000 claims, respectively. In 24 States more interstate claims were compensated as liable States than were forwarded as agent States. Of these, Alaska and Wyoming compensated more than 3 times the number, and Montana and New York twice the number, of claims forwarded for payment to other States. In 4 other States—Illinois, Nevada, New Hampshire, and New Mexico—much larger numbers of claims were compensated as liable States than were forwarded as agent States. However, as agent State, Florida transmitted more than 4 times as many claims for weeks of unemployment as it received as liable State, while Hawaii, Oregon, and Wisconsin forwarded more than twice as many as they received. The exceptionally large number of interstate claims transmitted by

wages are collected in all States except Michigan, where rate is 3 percent. Beginning Jan. 1, 1940, employers subject to Kentucky law but not to Federal unemployment tax are required to pay additional tax of 0.3 percent for administrative purposes. Reduced contribution rates resulting from experience rating are in effect in Indiana, Nebraska, South Dakota, and Wisconsin. See footnote 13 for States collecting employee contributions.

<sup>1</sup> Includes refund of \$40,562,000 by Federal Government to 13 States, Alaska, and Hawaii collected on pay rolls for 1936 under title IX of the Social Security Act. Also includes collections from railroad employers through June 30, 1939.

<sup>2</sup> Interest represents earnings of State accounts in unemployment trust fund.

<sup>3</sup> Adjusted for voided benefit checks.

<sup>4</sup> Includes benefits paid to railroad workers through June 30, 1939.

<sup>5</sup> Excludes District of Columbia and Louisiana; see footnote 14.

<sup>6</sup> Includes \$2,147,000 in benefits paid in Wisconsin prior to Jan. 1, 1938.

<sup>7</sup> Under provision of Connecticut law, administrative grants equal to preliminary and liquidating amounts were transferred to railroad unemployment insurance account and withheld by the Social Security Board. State was permitted to withdraw from unemployment compensation funds amount necessary for administrative purposes up to amount so withheld. Full amount of \$789,000, due railroad unemployment insurance account, has been withheld.

<sup>8</sup> Adjusted for transfer to railroad unemployment insurance account.

<sup>9</sup> Employee contributions of 1.5 percent of taxable wages are collected in Rhode Island and of 1 percent in Alabama, California, Kentucky, and New Jersey.

<sup>10</sup> Not computed, because data for States that shifted either wholly or in part from monthly to quarterly contribution basis during 1939 or 1940 are not comparable.

<sup>11</sup> Contributions are collected on monthly basis in North Carolina, North Dakota, Texas, West Virginia, and Wisconsin. All other States collect, either wholly or in part, on quarterly basis.

<sup>12</sup> Decrease of less than 0.1 percent.

Florida was attributable largely to migration of unemployed workers to the State to seek work at winter resorts. The greatest concentration of States transmitting more claims than they compensated appeared in the Southeast and Gulf, Great Lakes, North Central, and Southwest areas. On the other hand, States in the New England and New York and Rocky Mountain areas were generally liable for more interstate claims than they forwarded to other States. Weeks of unemployment compensated through interstate claims accounted for almost half of total benefit disbursements in Alaska; and in Arizona, Idaho, Nevada, New Mexico, and Wyoming such payments comprised from 23 to 31 percent of total benefit outlays.

#### **Financial Transactions, Fourth Quarter 1940**

Contributions deposited in State clearing accounts during the fourth quarter of 1940 amounted to \$213.3 million, an increase of almost 3 percent over the previous quarter (table 7). For the most part, the increase in contributions reflects the higher level of third-quarter pay rolls over second-quarter pay rolls, an increase due partly to seasonal factors as well as to the effects of the defense program.

Increased contributions were reported by 41 States; only 2 States reported declines of more than 3 percent. The sharpest increases, of 50 and 45 percent, occurred in Alaska and Wisconsin, respectively. The increase in Alaska was largely attributable to seasonal peaks in canning and mining in the third quarter, while in Wisconsin the increase was mainly the result of voluntary and advance contributions made by many employers to obtain modified contribution rates under the State experience-rating plan. Appreciable increases—ranging from 11 to 14 percent—were reported in Hawaii, Idaho, North Carolina, and Wyoming. The decline of 27 percent in New Hampshire is a reflection of the procedure whereby certain selected employers make only semiannual contributions in the first and third quarters of each year.

As a result of expanding employment in covered industries, benefit payments declined sharply in October–December to the lowest quarterly amount this year. Approximately \$92.3 million was disbursed during this period, a decline of 36 percent from the previous quarter but an increase of 7

**Table 8.—Status of State accounts in the unemployment trust fund, by State, fiscal year 1940-41<sup>1</sup> through December**

(In thousands)

Social Security Board region and State	Fiscal year 1940-41 through December					
	Balance as of June 30, 1940	Deposits	Interest received <sup>1</sup>	Withdrawals		Balance as of Dec. 31, 1940 <sup>2</sup>
				Total	Transfers to railroad unemployment insurance account	
Total.....	\$1,602,210	\$421,631	\$21,642	\$334,140	\$96,445	\$1,801,343
Region I:						
Connecticut.....	33,803	9,671	470	1,706	46	42,238
Maine.....	3,739	2,007	47	1,865	255	3,928
Massachusetts.....	76,186	18,535	939	18,213	2,313	77,447
New Hampshire.....	5,510	1,362	72	1,098	238	5,846
Rhode Island.....	9,176	4,795	129	2,602	182	11,498
Vermont.....	2,683	779	37	300	-----	3,199
Region II:						
New York.....	194,392	62,684	2,470	56,358	6,858	203,188
Region III:						
Delaware.....	6,464	1,144	80	788	461	6,900
New Jersey.....	115,117	24,552	1,508	10,419	4,269	130,758
Pennsylvania.....	113,087	40,199	1,491	24,699	6,699	130,078
Region IV:						
Dist. of Columbia.....	19,174	2,149	240	1,845	790	19,718
Maryland.....	18,514	6,255	248	3,995	1,195	21,022
North Carolina.....	21,629	5,738	282	3,353	1,103	24,296
Virginia.....	19,249	4,954	237	5,259	2,454	19,181
West Virginia.....	15,783	5,116	207	2,281	81	18,825
Region V:						
Kentucky.....	28,751	5,305	375	2,350	-----	32,081
Michigan.....	59,962	26,294	802	17,231	1,932	69,827
Ohio.....	149,056	28,458	1,909	18,390	8,535	161,033
Region VI:						
Illinois.....	185,972	33,730	2,331	32,814	13,841	189,219
Indiana.....	39,492	10,850	523	7,190	3,190	43,675
Wisconsin.....	53,362	5,380	670	3,914	1,964	55,498
Region VII:						
Alabama.....	14,281	4,965	196	2,445	-----	16,997
Florida.....	14,095	3,055	157	5,309	1,509	11,998
Georgia.....	22,359	4,740	291	2,500	-----	24,890
Mississippi.....	4,268	1,310	51	1,662	642	3,967
South Carolina.....	10,132	2,375	133	1,400	-----	11,240
Tennessee.....	13,969	4,220	180	3,030	-----	15,339
Region VIII:						
Iowa.....	16,189	3,760	200	3,547	2,122	16,602
Minnesota.....	23,663	5,726	295	6,087	2,517	23,597
Nebraska.....	10,393	1,170	122	2,412	1,682	9,273
North Dakota.....	2,384	455	29	772	577	2,096
South Dakota.....	3,109	542	39	534	403	3,156
Region IX:						
Arkansas.....	7,100	1,654	83	2,343	1,088	6,494
Kansas.....	14,811	2,311	178	3,550	2,725	13,750
Missouri.....	55,575	10,025	711	8,271	4,871	58,040
Oklahoma.....	16,105	3,000	306	2,581	1,001	16,730
Region X:						
Louisiana.....	18,411	3,548	225	4,755	1,180	17,429
New Mexico.....	2,838	715	33	1,115	515	2,471
Texas.....	51,491	10,965	653	8,627	4,227	54,482
Region XI:						
Arizona.....	2,985	1,003	40	953	338	3,075
Colorado.....	10,788	2,246	127	3,293	1,528	9,868
Idaho.....	2,551	1,028	33	938	373	2,674
Montana.....	5,742	1,545	70	2,026	1,186	5,331
Utah.....	3,790	1,466	49	1,352	517	3,953
Wyoming.....	2,377	565	28	962	602	2,008
Region XII:						
California.....	153,752	38,352	1,949	38,904	7,804	155,149
Nevada.....	1,474	492	17	807	357	1,176
Oregon.....	8,175	3,545	115	1,815	590	10,020
Washington.....	21,644	5,515	276	5,020	1,675	22,415
Territories:						
Alaska.....	984	388	13	240	-----	1,145
Hawaii.....	5,674	993	76	220	80	6,523

<sup>1</sup> Federal contributions from employers have been collectible in all States since Jan. 1, 1936. Reduced contribution rates resulting from experience rating are in effect in Indiana, Nebraska, South Dakota, and Wisconsin. Employee contributions on wages earned are also required by Alabama, California, Kentucky, New Jersey, and Rhode Island.

<sup>2</sup> Interest is received at end of each quarter of fiscal year.

<sup>3</sup> Adjusted for transfers to railroad unemployment insurance account except for Alaska, Kentucky, Mississippi, and Tennessee.

<sup>4</sup> See table 7, footnote 11.

Source: U. S. Treasury Department, Office of the Commissioner of Accounts and Deposits.

percent over the corresponding period of 1939. Decreases in the current quarter were widespread as 41 States reported smaller disbursements. The sharpest decline was registered in Michigan where, coincident with the marked increases in employment in the automobile industry, payments decreased 77 percent from the previous quarter. Outstanding declines of more than 50 percent were also reported by Alaska and Rhode Island. In 12 States reductions ranged between 40 and 50 percent, and 7 other States showed decreases of more than 30 percent. Although 10 States reported larger benefit disbursements, only 5 reported significant increases. The sharpest increase—31 percent—occurring in the District of Columbia, was primarily attributable to modified benefit provisions effective July 1, 1940. Unemployment arising out of seasonal curtailment in sugar refining and pineapple canning was a major factor contributing to the increase of 26 percent in Hawaii. In Idaho, Montana, and Nevada, where the national defense program has had little direct effect, the usual seasonal declines in employment occurred, particularly in construction activities, logging, and manufacture of food products.

With the exception of 4 jurisdictions, all States have made transfers to the railroad unemployment insurance fund. Transfers amounting to \$52 million were made by 33 States during October-December; \$44 million had been transferred by 25 States in the previous quarter. Some States transferred funds in both quarters. However, since collections deposited and interest earned on accounts in the unemployment trust fund exceeded benefit payments by \$121 million during the fourth quarter, there was a net increase of 4.6 percent in funds available for benefits, amounting to \$1.8 billion at the close of December. Increases in accumulated funds were reported by 37 States; 10 of these showed gains in excess of 10 percent. All 14 States showing decreases made transfers to the railroad unemployment insurance fund, accounting in whole or in part for the declines indicated.

### State Amendments

During January more than 350 measures relating to unemployment compensation legislation were proposed in 32 State legislatures, but only 3 short amendments—one each in Delaware, New

Jersey, and West Virginia—became law by the end of the month.

*Delaware.*—An amendment approved January 9 excludes, for both contribution and benefit purposes, annual wages in excess of \$3,000 paid to an employee by an employer.

*New Jersey.*—By an amendment of January 20 legal assistants of the commission and special counsel designated to represent the board of

review or the commission in civil actions are exempt from State civil-service regulations. The amendment also authorizes the payment of witness fees to persons subpoenaed before hearings conducted by the commission.

*West Virginia.*—An amendment approved January 28 excludes from contributions annual wages in excess of \$3,000 paid to an employee by an employer.

## Summary of Operations, 1940

### Placement Activities

The public employment offices filled nearly 3.8 million jobs during 1940, of which more than 3.2 million were in private employment. This number represented a gain of 8.8 percent in total placements over 1939, and an increase of 21 percent over private placements in 1939. The volume of private jobs filled in 1940 set a new annual record and reflected the increasing use of public employment offices in recruiting labor for defense and other industries. An all-time monthly high was established in October, when 339,000 jobs were filled in private employment. New York led all other States in private placements, followed by California and Texas. New York also filled the largest number of private jobs lasting longer than a month. Of the 44 States reporting increased private placements in 1940, Hawaii showed a gain of 93 percent over 1939, and Alaska, Kansas, Massachusetts, Montana, and New York reported increases ranging from 55 to 65 percent.

The only appreciable decline among the 7 States reporting fewer private placements than in 1939 was the 25-percent reduction in New Mexico. The 6 remaining States all reported decreases of 10 percent or less. In spite of the sharp increase resulting from defense construction during the last few months of the year, public placements in 1940 numbered only 557,000, a 30-percent decline from 1939, resulting largely from contraction in the public works program during the year. Placements of men and women in 1940 totaled 1.7 and 1.5 million, respectively, each representing a gain of approximately 20 percent over 1939.

Applications for work received in 1940 totaled more than 16.5 million, the largest number

received in any one year in the history of the United States Employment Service.

### Insurance Operations

Record operations also marked unemployment compensation activities, in spite of the higher level of industrial activity and employment prevailing during the year. Continued claims received in 1940 totaled 67 million, and benefit payments amounted to more than \$520 million, as compared with 57 million claims received and \$430 million in benefit payments in 1939. For the 49 jurisdictions which paid benefits throughout both 1939 and 1940, payments in 1940 represented an increase of 15 percent over 1939.

New monthly highs were reached in July when 7.3 million continued claims were received in State local offices and \$55.7 million in benefit payments was disbursed to unemployed workers. Approximately 51 million weeks of unemployment were compensated in 1940, of which 46 million weeks or 91 percent were for total unemployment.

With the initiation of many benefit years in January, the average number of benefit recipients increased each month, from 877,000 in January to 1.1 million in March. A temporary recession in April largely reflected the serving of required waiting periods by many claimants in States initiating uniform benefit years in that month. The full effect of this latter development was reflected in each of the next 3 months when the total number of recipients rose to more than 1.2 million. After the all-time peak of 1.3 million was reached in June, the number of recipients declined continuously to the 1940 low of 667,000 in December. This 6-month decline represented primarily the cumulative effect of the defense

program on industrial employment, as well as the exhaustion of benefit rights for many claimants.

For the 49 States reporting throughout 1940, the number of first payments issued totaled 5.1 million. If estimates for Indiana and Wisconsin are included, the total number of recipients would probably approximate 5.3 million. Since a claimant can receive only one first payment in any given benefit year, these data afford an indication of the number of different individuals receiving benefit payments during 1940. An estimate of beneficiaries based on first payments may, however, represent a minimum figure, since many claimants who received benefits in the early months of 1940 may have received their first payments late in 1939. Lack of data for some States prevents detailed comparison with 1939 data. It may be noted, however, that the 1940 total represents a slight increase over the estimated 4.8 million recipients in 1939. Much of the increase over 1939 is attributable to the full year of benefit operations in Illinois and Montana, which first began receiving benefit claims in July 1939.

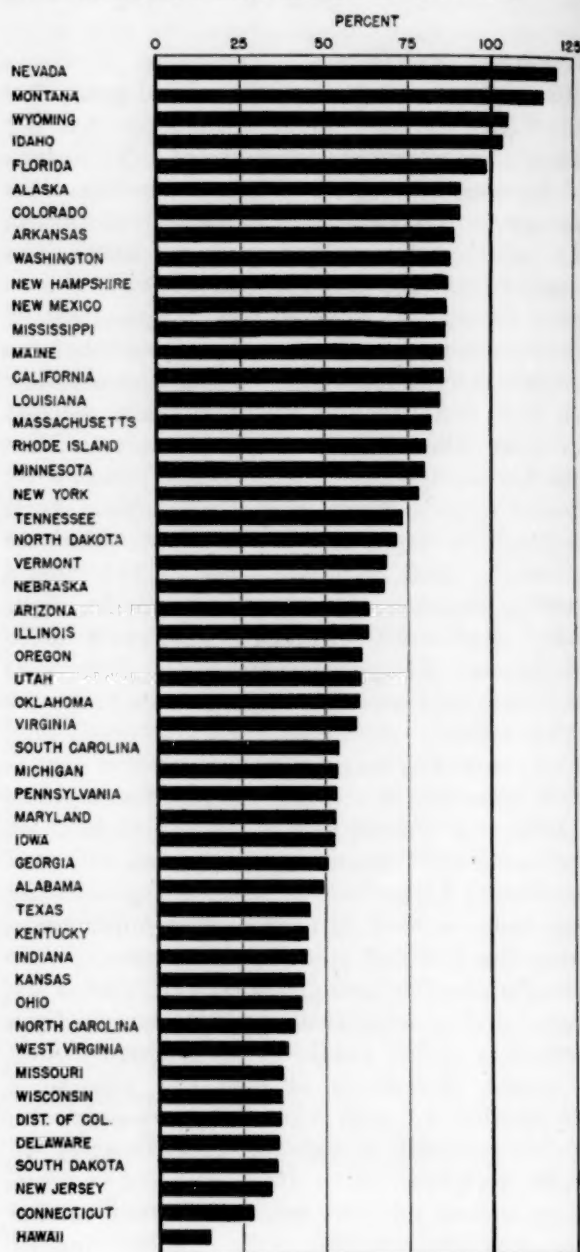
During the year there were 2.6 million cases in which workers exhausted their rights to benefits. This number represents an exhaustion ratio of more than 50 percent in relation to the number of initial payments. Since a claimant may exhaust his credit more than once in States which allow redeterminations, the figure on exhaustions contains an indeterminate number of duplicate exhaustions. Hence, this ratio is only a rough approximation of the proportion of claimants who exhausted their benefit rights during the year.

### Financial Transactions

Collections during 1940 totaled \$854 million, an increase of 2.2 percent over 1939 on the basis of comparable data reported by 38 States. The increase would have been somewhat larger if adjustment were made for the inclusion of railroad contributions collected during the first 9 months of 1939. Increases in contributions over the previous year were reported in 16 States, with gains of 13 to 15 percent in Alabama, Connecticut, and Michigan. The increases in these States largely reflect the expansion of industrial operations as a result of the national defense program. On the other hand, 22 States reported reductions in the amount of contributions collected, but 11 of these showed decreases of less than 3 percent. The

majority of the States reporting decreases were located west of the Mississippi River, where railroad contributions in 1939 comprised a substantial proportion of total collections. In addition to the loss in contributions from railroads, the 31-percent decline in Nebraska and the 17-percent drop in Wisconsin reflected lower effective rates during 1940, resulting from experience-rating provisions in the State law. Although experience-

Chart 6.—Ratio of benefits paid to contributions collected, by State, January–December 1940



rating provisions were effective in Indiana and South Dakota on January 1, 1940, the average contribution rate remained at 2.7 percent for the State as a whole, with the result that the amount collected was little influenced by that factor.

During the past 2 years, 13 States shifted from a monthly to a quarterly collection basis; therefore collections for the year in which the change occurred represented only 10 months of actual collections. Increases thus occurred in Georgia, Hawaii, Mississippi, New York, Oklahoma, Oregon, Rhode Island, South Carolina, and Washington, where changes were effective in 1939. In New Hampshire, however, collections during 12 months of 1940 were less than for 10 months in 1939, partly because certain employers who contribute on a semiannual basis will not be required to pay contributions for July–September 1940 pay rolls until 1941. Conversely, the District of Columbia, Louisiana, and Vermont, where changes were effective in 1940, showed substantial declines. Contributing to the decline in the District of Columbia was the reduction in the standard contribution rate from 3 to 2.7 percent, effective January 1, 1940, while in Louisiana employee contributions were no longer required after June 1940.

Despite the higher level of employment prevailing in 1940 and the cessation of benefit payments to railroad workers after July 1, 1939, disbursements to unemployed workers during the year were 15 percent higher than in 1939 (exclusive of payments in Illinois and Montana, which began benefit operations in July 1939). The important factors contributing to the increase in payments were: (1) full 12-month benefit-payment operations by 18 States which began operations in January 1939; (2) higher base-period earnings in 1939, which resulted in larger benefit amounts and longer duration in 1940; (3) liberalization of State laws with respect to duration, calculation of weekly benefit amount, and maximum and minimum weekly amounts; and (4) modifications in State laws that had the effect of a temporary liberalization, such as duplicate use of base-year credits when the benefit-year provisions were revised.

Of the 49 States which paid benefits for the full year in 1939 and 1940, 34 reported increased disbursements in 1940. Florida showed a rise of 81 percent; California and Arkansas, of 69 and 64

percent, respectively; and Alaska, Massachusetts, Mississippi, Vermont, and Washington, in excess of 50 percent. Rises of more than 30 percent were shown in 9 other States. The exceptional increase

**Table 9.—Ratio of benefits to collections<sup>1</sup> for specified periods through December 1940**

[Data reported by State agencies,<sup>2</sup> corrected to Jan. 27, 1941]

Social Security Board region and State	Month and year bene- fits first payable	Ratio (percent) of—		
		Benefits to collections January- December 1940	Benefits to collections since bene- fits first payable	Total bene- fits to cu- mulative collections and interest <sup>3</sup>
Total		60.8	63.2	41.2
Region I:				
Connecticut	Jan. 1938	27.1	46.3	34.3
Maine	do	85.4	97.4	72.1
Massachusetts	do	81.2	69.5	49.2
New Hampshire	do	87.2	80.0	51.3
Rhode Island	do	80.0	87.5	66.0
Vermont	do	68.1	53.9	39.4
Region II:				
New York	do	77.8	72.2	55.6
Region III:				
Delaware	Jan. 1939	35.1	32.4	17.3
New Jersey	do	32.8	32.7	18.6
Pennsylvania	Jan. 1938	53.0	73.4	55.2
Region IV:				
District of Columbia	do	36.7	27.6	20.2
Maryland	do	52.8	64.6	50.2
North Carolina	do	40.4	53.3	40.2
Virginia	do	58.8	56.4	42.3
West Virginia	do	37.8	69.0	50.2
Region V:				
Kentucky	Jan. 1939	44.3	44.1	22.9
Michigan	July 1938	53.4	94.9	59.1
Ohio	Jan. 1939	42.0	42.3	22.1
Region VI:				
Illinois	July 1939	62.5	58.4	22.8
Indiana	Apr. 1938	44.1	60.7	43.3
Wisconsin	July 1936	56.8	40.5	24.9
Region VII:				
Alabama	Jan. 1938	49.0	69.5	50.0
Florida	Jan. 1939	98.1	76.0	42.0
Georgia	do	50.5	45.7	23.0
Mississippi	Apr. 1938	86.0	77.1	52.1
South Carolina	July 1938	53.7	49.4	30.0
Tennessee	Jan. 1938	73.0	70.6	52.0
Region VIII:				
Iowa	July 1938	52.1	59.6	38.6
Minnesota	Jan. 1938	78.9	65.9	49.1
Nebraska	Jan. 1939	67.6	47.3	22.2
North Dakota	do	71.7	62.9	30.2
South Dakota	do	34.6	34.8	17.8
Region IX:				
Arkansas	do	88.4	70.5	38.5
Kansas	do	43.6	42.7	20.6
Missouri	do	36.9	32.4	16.8
Oklahoma	Dec. 1938	59.8	65.0	31.1
Region X:				
Louisiana	Jan. 1938	83.9	62.3	47.1
New Mexico	Dec. 1938	86.7	86.3	45.0
Texas	Jan. 1938	44.9	45.1	33.7
Region XI:				
Arizona	do	63.0	78.6	57.7
Colorado	Jan. 1939	89.5	78.7	39.9
Idaho	Sept. 1938	102.9	101.8	59.6
Montana	July 1939	115.5	95.7	37.1
Utah	Jan. 1938	60.6	77.3	56.5
Wyoming	Jan. 1939	104.8	92.7	46.7
Region XII:				
California	Jan. 1938	85.1	59.0	43.6
Nevada	Jan. 1939	119.0	102.5	55.4
Oregon	Jan. 1938	60.8	76.4	59.3
Washington	Jan. 1939	87.4	79.0	36.8
Territories:				
Alaska	do	90.1	77.5	42.5
Hawaii	do	14.5	15.0	7.8

<sup>1</sup> See table 7, footnote 4.

<sup>2</sup> See table 7, footnote 1.

<sup>3</sup> Comparisons between States are valid only for those States which initiated benefit payments at the same time.

<sup>4</sup> Ratio for Wisconsin computed on basis of collections and benefits paid since Jan. 1, 1938.

in Florida resulted largely from modification of provisions relative to minimum duration and maximum benefit amounts that could be drawn in a year. Liberalization of the benefit formulas, in varying degree, contributed to the increased benefit amounts in the other States. Mississippi attributed part of its increase to amendments providing for payment of partial benefits, uniform duration of 14 weeks, and reduction of waiting period, effective October 1, 1940. The waiting period was reduced to 1 week and other liberalizing provisions became fully effective in Rhode Island in 1940, and partial benefits were paid in Massachusetts effective October 1940. In the District of Columbia, provision for a \$6-minimum and an \$18-maximum weekly benefit amount and a reduced waiting period contributed to the increase in payments. Declines in benefit payments were largest in Iowa, Michigan, and Pennsylvania. Improved employment conditions as a result of the national defense program were major factors in the latter two States.

Funds available for benefit payments increased 18 percent from \$1.5 billion at the close of 1939 to \$1.8 billion by the end of 1940, despite such factors as the transfer of approximately \$98 million to the railroad unemployment insurance fund, record disbursements amounting to \$519 million, the shift of 3 States to a quarterly collection basis in 1940, reductions in contribution rates in the District of Columbia and New York, and the elimination of employer contributions in Louisiana. Forty States reported increases, and 30 of these showed gains of more than 10 percent. The most pronounced rises—of approximately 50 percent—occurred in Connecticut, Michigan, and West Virginia. On the other hand, decreases ranging between 20 and 30 percent were shown in Montana, Nevada, and Wyoming. Railroad con-

tributions had amounted to a considerable proportion of all contributions in each of these States.

Approximately 61 cents in benefit payments was issued for each \$1 of contributions received during the year, in contrast to 67 cents per \$1 received during the first 9 months (table 9). Benefits exceeded collections deposited during the year in Idaho, Montana, Nevada, and Wyoming and almost matched contributions in Florida. In 12 other States, benefits ranged between 80 and 90 cents for each \$1 of contributions received. The lowest ratio of benefits to contributions was shown for Hawaii, where only 15 cents of each \$1 collected was issued in benefit payments to unemployed workers. Connecticut, with 27 cents paid for each \$1 received, ranked next to Hawaii in the lowest relative volume of benefits disbursed. Delaware, the District of Columbia, Missouri, New Jersey, South Dakota, West Virginia, and Wisconsin each paid out less than 40 cents for every \$1 of contributions collected.

A comparison of the ratios of benefit payments to contributions collected in 1939 and 1940 reveals the influence of liberalization of benefit payments and higher base-period earnings in 1939. For the country as a whole, 61 cents was paid in benefits for each \$1 received in 1940, in contrast to 54 cents in 1939. Although the District of Columbia, Missouri, and Wisconsin appreciably increased their proportion of payments in relation to income, benefit payments in each instance were equal to only 37 cents of each \$1 of contributions collected. On the other hand, benefits exceeded contributions in Idaho in both 1939 and 1940. The number of States included in the group paying out more than 75 cents of each \$1 received increased markedly, from 6 in 1939 to 19 in 1940. Similarly, less than 50 cents of each \$1 received was paid in 16 States in 1940 in contrast to 22 States in 1939.

## Railroad Unemployment Insurance\*

In the 5 weeks ended January 3, 1941, the regional offices of the Railroad Retirement Board received 30,906 applications for certificate of benefit rights, or an average of 6,181 per week (table 1). In the second year of operation under the act the December average of application re-

ceipts was exceeded only in July and November when the number of applications was high partly because of administrative factors. July was the first month in which benefit rights based on 1939 wages became effective; in November the filing of applications for certificate of benefit rights on the basis of 1939 wages was required under the amended act of all employees who began a registration period in November and who had not pre-

\* Prepared by the Bureau of Research and Information Service, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

**Table 1.—Railroad unemployment insurance: Applications for certificate of benefit rights and claims received, by specified period, July–December 1940**

Period	Applications	Claims
June 29, 1940–Jan. 3, 1941.....	146,385	665,776
Nov. 30, 1940–Jan. 3, 1941.....	30,906	172,005
Nov. 30–Dec. 6.....	8,702	35,624
Dec. 7–13.....	6,850	28,472
Dec. 14–20.....	4,716	39,771
Dec. 21–27.....	6,611	28,134
Dec. 28, 1940–Jan. 3, 1941.....	4,027	40,004
Weekly average:		
June 29–Aug. 2.....	8,627	22,950
Aug. 3–30.....	4,138	24,240
Aug. 31–Sept. 27.....	2,809	22,721
Sept. 28–Nov. 1.....	2,813	19,596
Nov. 2–29.....	17,622	23,298
Nov. 30, 1940–Jan. 3, 1941.....	16,181	34,401

<sup>1</sup> Revised.

viously filed such applications. The main reason for the rise of applications in November, however, was the increase in unemployment during that month. This increase continued in December and accounts for the high level of applications received in that month. According to the Interstate Commerce Commission, employment on class I railroads declined by nearly 19,000 from the middle of November to the middle of December. A seasonal decline of over 22,000 occurred in maintenance of way and structures, while employment remained practically unchanged or rose in other branches of the service.

By the end of 1940, 146,385 applications based on 1939 wages had been received. Certificates of benefit rights had been issued to 135,609 eligible applicants, and 2,387 applicants were held ineligible. Because of the large volume of applications received in November and December, as many as 8,389 applications were still unprocessed at the end of the year.

In the 5 December weeks 172,005 unemployment insurance claims were received, or an average of 34,401 per week. The large increase from the November average of 23,298 is attributable mainly to the continued rise in unemployment. The change in the law which affected only claims received after the middle of November was a contributing factor but of minor importance. Under the amended act claims for 5 or more days of unemployment in a registration period may be compensable, whereas under the original law benefits were payable only for periods with at least 8 days of unemployment. It is probable therefore that

the number of claims for short spells of unemployment increased in December as compared with November. Furthermore, a reduction in the registration period from 15 to 14 days undoubtedly resulted in a slight rise in the number of claims.

The weekly average of claims received in December 1940 was 21 percent greater than the average for the corresponding month of 1939. The total number of unemployed workers was probably somewhat lower in 1940 than in 1939 in all branches of service except maintenance of way, where the number was substantially the same. The reason for the increase in claims must be sought principally in the rise of the proportion of qualified claimants among the unemployed. Thus the number of employees with base-year compensation of \$150 or more was in 1940 5.7 percent greater than in 1939; for maintenance of way and structures, which accounts for the largest single group of unemployed workers in the winter months, the number of eligibles increased about 11 percent. The comparison between the 2 years is also affected by changes in the act.

The number of claims processed in the December period was 192,264, substantially in excess of receipts because of the large accumulation of unprocessed claims at the beginning of the month as a result of delays in November in connection with the initial operations under the amended act. All but 5,318 of the claims processed in December were adjudicated on the basis of the amended act. Of the claims under the original act, 1,026 were certified for waiting-period credit and 3,048 were certified for benefit payment; the remaining 1,244 claims were not certified because of registrations for less than 8 days of unemployment in the half month, ineligibility of the claimant, or disqualification of the unemployment claimed.

Of the claims adjudicated under the amended act, 147,137 were certified for benefit payment with or without waiting-period credit and 1,467 were certified for waiting-period credit only. The remainder included 8,853 claims with less than 7 days of unemployment submitted by workers who still had to serve a waiting period; 6,806 claims with less than 5 days of unemployment; and 22,683 claims held ineffective because some or all of the unemployment in the registration periods was disqualified or because the claimants were ineligible for benefits by reason of insufficient base-year

**Table 2.—Railroad unemployment insurance: Number of benefit certifications, average benefit, and average number of compensable days, Nov. 30, 1940–Jan. 3, 1941<sup>1</sup>**

Item	Number of certifications	Average benefit		Average number of compensable days per certification
		Per certification	Per compensable day	
Benefit certifications for first registration period:				
Total	38,671	\$14.00	\$2.36	5.93
With 14 days of unemployment	25,330	16.42	2.35	7.00
With 8-13 days of unemployment	13,341	9.40	2.41	3.91
Benefit certifications for subsequent registration periods:				
Total	108,466	20.25	2.33	8.71
With 14 days of unemployment	75,011	23.16	2.32	10.00
With 8-13 days of unemployment	26,405	15.99	2.34	6.85
With 5-7 days of unemployment	7,050	5.18	2.55	2.04

<sup>1</sup> All series, except total number of certifications for first and subsequent registration periods and average benefit for such certifications, based on a 20-percent sample.

earnings. The proportion of waiting-period claims to all claims subject to certification was very high, amounting to more than 27 percent (table 2). This fact indicates that a considerable share of the unemployment in November and December was among workers who had become unemployed for the first time since the end of June 1940. The amendment to the act which requires the serving of a waiting period by claimants who had not completed a waiting period between July 1 and October 31 also contributed to the increase in the proportion of waiting-period claims.

The total amount of benefits certified in the 5 December weeks was about \$2,780,000. Of this amount about \$43,000 was in benefits certified under the original act, about \$541,000 in benefits certified on 38,671 claims for which waiting-period credit was also given, and about \$2,196,000 in benefits certified for 108,468 registration periods with a maximum of 10 compensable days.

The average benefit per claim with waiting-period credit was \$14.00 as compared with the average for other certifications of \$20.25. The difference is due mainly to the fact that in the first type of certification benefits are granted only for each day of unemployment in excess of 7 whereas in the second type each day of unemployment in excess of 4 is compensable. No significant differences appear between these two

types with regard to the other factors controlling the amount of benefit. For waiting-period claims the average daily benefit is \$2.36 and the average number of days of unemployment is about 13. For other compensable claims the average daily benefit is \$2.33 and the average number of days of unemployment in claims with at least 8 days of unemployment is about 13.2.

In December 1939 the average benefit per certification covering a period of 15 days with at least 8 days of unemployment was \$15.15. In December 1940 the average benefit per certification, for a period of 14 days with at least 8 days of unemployment in which benefits were payable for every day in excess of 4, was \$21.29. The large increase in the average benefit is due mainly to the change in the law which increased by 3 the number of compensable days of unemployment in a registration period. This fact is evident from the fact that the average number of days of unemployment for this type of certification in 1940 was 13.2 as compared with 13.8 in 1939, and that the increase in the average daily benefit because of the amendment was only from \$2.22 in 1939 to \$2.33 in 1940.

### Employment Service

By the end of 1940 the employment service of the Railroad Retirement Board had been operating on a Nation-wide scale for about 3 months. During that period, registrations for nearly 71,500 workers, most of whom were applicants for unemployment insurance, were made with the service. At the same time orders were received for filling 2,660 openings, of which 947 were with nonrailroad employers. A total of 4,135 workers was referred to these openings, or an average of about 1.5 referrals for each opening. It is the policy of the employment service not to make an excessive number of referrals for relatively few job openings. The number of placements was 1,709, of which 447 were with nonrailroad employers. About 50 percent of the placements were in temporary jobs with an expected duration of less than 1 month. About 70 percent of all placements and nearly 90 percent of the nonrailroad placements during this period were made by the Chicago office, the only unit of the employment service which has been in operation since October 1939.

# PUBLIC ASSISTANCE

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OPERATING STATISTICS AND ANALYSIS AND OF PROGRAM STATISTICS AND RESEARCH

## Source of Funds Expended for the Special Types of Public Assistance and General Relief in 1939-40

During the fiscal year 1939-40 payments to recipients of the three special types of public assistance—old-age assistance, aid to dependent children, and aid to the blind—and of general relief totaled slightly more than \$1 billion (table 1). Excluded from this aggregate sum are all costs of administering the programs. For the special types of public assistance the data on expenditures relate to payments in States administering these programs under the Social Security Act. In 1939-40 old-age assistance was administered under approved plans in all 51 States eligible for Federal grants, aid to dependent children in 42 States, and aid to the blind in 43 States.<sup>1</sup> For general relief the data relate to the 48 States and the District of Columbia.<sup>2</sup>

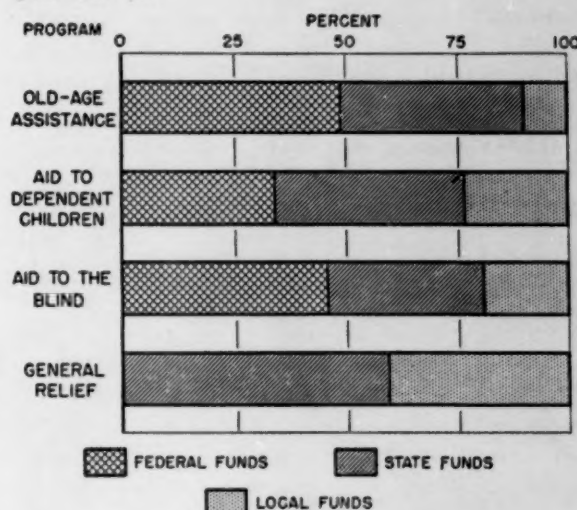
Of the total sum expended during the year for these four types of aid, payments to recipients of the special types of public assistance amounted to \$581.7 million or 57.0 percent of the total. Expenditures for old-age assistance totaled \$450.0 million or 44.1 percent, aid to dependent children \$118.9 million or 11.7 percent, and aid to the blind \$12.8 million or 1.2 percent. Payments for general relief amounted to \$438.1 million or 43.0 percent of the total.

Of total expenditures for the four programs, the State governments supplied approximately half, and the Federal and local governments each about one-fourth. State funds amounted to \$499.3 million or 49.0 percent of the total, Federal funds to \$266.6 million or 26.1 percent, and local funds to \$253.8 million or 24.9 percent.

There were marked differences, however, among the several programs in the proportions of total assistance payments provided from Federal, State, and local funds (table 1 and chart 1). The Federal Government has participated through

grants to States in the special types of public assistance since February 1936, when Federal funds first became available under the Social Security Act, while the States and localities have had complete financial responsibility for general

Chart 1.—Special types of public assistance and general relief: Percentage distribution of expenditures for assistance to recipients, by source of funds, fiscal year 1939-40



relief since the end of 1935. Coincident with the development of the Works Program in the latter half of 1935, the Federal Government began to liquidate the Federal Emergency Relief Administration, which had made grants to States for general relief programs since May 1933. Final grants to the States for general relief were determined by the FERA in December 1935; thereafter the States and localities became fully responsible for administering and financing this type of assistance. Unexpended balances of Federal funds were available for general relief in some States after 1935, but these funds soon became a negligible part of total general relief expenditures in the United States. Of the \$438.1 million spent for general relief in 1939-40, \$259.3 million or 59.2

<sup>1</sup> In addition, relatively small expenditures amounting to about \$12.5 million were made in 1939-40 for programs for aid to dependent children and aid to the blind not under the Social Security Act.

<sup>2</sup> Expenditures for general relief in Alaska and Hawaii are negligible in relation to expenditures in the continental United States.

percent was provided by the States and \$178.8 million or 40.8 percent by the localities.

In contrast to the general relief program, a substantial share of expenditures for the special types of public assistance in 1939-40 was supplied by the Federal Government. Federal funds accounted for 49.0 percent of the total spent for old-age assistance, 45.3 percent of total payments for aid to the blind, and 34.0 percent of total expenditures for aid to dependent children. The smaller proportion of Federal funds for aid to dependent children reflects in part the lower Federal matching ratio applicable to this program prior to 1940—one-third, within limits specified by the Social Security Act, as compared with one-half for old-age assistance and aid to the blind.

Effective January 1, 1940, the ratio for Federal participation in aid to dependent children was increased to one-half, as provided by the Social Security Act Amendments of 1939. The larger Federal share of payments for aid to dependent

children in 1939-40, as compared with the previous fiscal year, is attributable almost entirely to this increase in the Federal matching ratio.<sup>3</sup> Federal participation in the program for aid to dependent children was liberalized further by an amendment effective August 10, 1939, which authorized the use of Federal funds for the assistance of children between 16 and 18 years of age who are regularly attending school, as well as for children under 16. The latter amendment, however, affected only slightly the Federal share of the cost of aid to dependent children for 1939-40. Most State legislatures did not meet in 1939-40 after the Social Security Act was amended, and many States were thus unable to take advantage of the higher age limit now specified in the Federal statute. Furthermore, the number of children aged 16 to 18 benefiting from aid to dependent

<sup>3</sup> No change was made in the maximum amount of aid to dependent children in which the Federal Government participates; this amount is \$18 a month for the first child and \$12 a month for each additional child aided in the same home.

**Table 1.—Special types of public assistance and general relief: Expenditures for assistance to recipients, by program and source of funds, fiscal year 1939-40 and 6-month periods of 1939-40<sup>1</sup>**

Program	Fiscal year 1939-40				July-December 1939				January-June 1940			
	Total	Federal funds	State funds	Local funds	Total	Federal funds	State funds	Local funds	Total	Federal funds	State funds	Local funds
Amount (in thousands)												
Total.....	\$1,019,746.2	\$266,623.0	\$499,328.1	\$253,795.2	\$506,389.9	\$124,038.5	\$256,375.8	\$125,975.6	\$513,356.3	\$142,584.4	\$242,952.3	\$127,819.6
Special types of public assistance: <sup>2</sup>												
Old-age assistance.....	449,985.6	220,414.4	184,953.3	44,617.9	220,155.2	106,067.5	92,222.6	21,865.1	229,830.5	114,347.0	92,730.7	22,752.8
Aid to dependent children.....	118,870.8	40,403.3	50,586.7	27,880.8	56,673.6	15,237.5	26,907.5	14,528.6	62,197.1	25,165.8	23,679.1	13,352.2
Aid to the blind.....	12,819.5	5,805.2	4,512.6	2,501.6	6,307.5	2,733.6	2,298.0	1,275.9	6,512.0	3,071.7	2,214.7	1,225.7
General relief <sup>3</sup> .....	438,070.4	.....	259,275.5	178,794.8	223,253.7	.....	134,947.8	88,306.0	214,816.7	.....	124,327.8	90,488.9
Percentage distribution by program												
Total.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Special types of public assistance: <sup>2</sup>												
Old-age assistance.....	44.1	82.7	37.1	17.6	43.5	85.5	36.0	17.4	44.8	80.2	38.2	17.8
Aid to dependent children.....	11.7	15.1	10.1	11.0	11.2	12.3	10.5	11.5	12.1	17.6	9.7	10.4
Aid to the blind.....	1.2	2.2	.9	1.0	1.2	2.2	.9	1.0	1.3	3.2	.9	1.0
General relief <sup>3</sup> .....	43.0	.....	51.9	70.4	44.1	.....	52.6	70.1	41.8	.....	51.2	70.8
Percentage distribution by source of funds												
Total.....	100.0	26.1	49.0	24.9	100.0	24.5	50.6	24.9	100.0	27.8	47.3	24.9
Special types of public assistance: <sup>2</sup>												
Old-age assistance.....	100.0	49.0	41.1	9.9	100.0	48.2	41.9	9.9	100.0	49.8	40.3	9.9
Aid to dependent children.....	100.0	34.0	42.6	23.4	100.0	26.9	47.5	25.6	100.0	40.5	38.1	21.4
Aid to the blind.....	100.0	45.3	35.2	19.5	100.0	43.4	36.4	20.2	100.0	47.2	34.0	18.8
General relief <sup>3</sup> .....	100.0	.....	59.2	40.8	100.0	.....	60.4	39.6	100.0	.....	57.9	42.1

<sup>1</sup> See tables 2, 3, 4, and 6 for detailed figures by State and for explanatory footnotes.

<sup>2</sup> Under the Social Security Act. <sup>3</sup> In continental United States only.

children during the year was small in relation to the total number of children assisted.

Also effective January 1, 1940, were amendments increasing from \$30 to \$40 the maximum monthly payment for old-age assistance or aid to the blind toward which the Federal Government contributes one-half. These amendments were largely responsible for the small increases from the previous fiscal year in the Federal share of total payments for old-age assistance and aid to the blind in 1939-40, although their influence was reflected mainly in the relatively few States in which monthly payments of more than \$30 had previously been made to a substantial proportion of the total number of recipients. As already pointed out, the legislatures of most States were not in session in 1939-40, and many State laws for old-age assistance and aid to the blind still limited monthly payments to \$30 at the end of the year. Moreover, the higher maximum on Federal participation in individual payments does not affect the ratio of Federal funds to total assistance costs in States in which the amounts of available State and/or local funds permit few, if any, monthly payments of more than \$30.

In 1939-40 the State share of total assistance payments was 42.6 percent for aid to dependent children, 41.1 percent for old-age assistance, and 35.2 percent for aid to the blind. These proportions represent a decline from 1938-39 for each program, with the largest reduction occurring in the State share for aid to dependent children. Local funds accounted for the smallest share of expenditures for each of the special types of public assistance, but the local proportions for aid to dependent children and aid to the blind were substantially higher than that for old-age assistance. The local governments supplied 23.4 percent of total payments for aid to dependent children, 19.5 percent of expenditures for aid to the blind, and 9.9 percent of the cost of old-age assistance. For aid to dependent children and aid to the blind, local funds represented a smaller share of total payments than in the previous fiscal year; for old-age assistance, the local share was practically unchanged.

Since all but one of the major developments affecting the relative shares of total payments for the special types of public assistance supplied from Federal, State, and local funds became effective January 1, 1940, the distributions for these

programs shifted to a greater extent from the first to the second half of 1939-40 than from 1938-39 to 1939-40 (table 1).

Of the total amount of Federal funds used for these types of assistance in 1939-40, by far the largest part—82.7 percent—was spent for old-age assistance. Aid to dependent children accounted for only 15.1 percent of the Federal total, and aid to the blind for only 2.2 percent. On the other hand, State and local funds were expended principally for general relief. Payments for this type of assistance represented 51.9 percent of total State expenditures and 70.4 percent of total local expenditures for all four programs. The shares of total State and local assistance funds expended for old-age assistance were 37.1 and 17.6 percent, respectively. Aid to dependent children accounted for 10.1 percent of the total amount expended for assistance by the State governments and 11.0 percent of the total provided by the localities. Payments for aid to the blind comprised only about 1 percent of State and of local funds.

For each of the four assistance programs, marked State differences underlie the aggregate distribution for all States as a group. Data on the amounts expended for assistance in the individual States and the percentage distributions by source of funds are shown in tables 2, 3, 4, and 6.

#### Source of Funds for the Special Types of Public Assistance, 1938-39 and 1939-40

Total expenditures for payments to recipients of the special types of public assistance in States with approved plans increased from \$530.5 million in 1938-39 to \$581.7 million in 1939-40. Underlying the sizable increase in aggregate payments for each program were larger expenditures in the great majority of States. The distributions by source of funds for old-age assistance and aid to the blind were practically the same in both years in all but a few States.<sup>4</sup> For aid to dependent children, however, in nearly all States there were sizable increases in the shares of total payments provided from Federal funds and corresponding declines in the proportions supplied from State and/or local funds.

For the latter half of the fiscal year 1939-40, the data on payments for each of the special types of public assistance exclude expenditures for

<sup>4</sup> For 1938-39 data, see the *Bulletin*, January 1940, pp. 65-72.

medical care, hospitalization, and burial of recipients. The exclusion of such expenditures affects the aggregate distributions by source of funds to only a negligible extent since, under each program, only a minority of the States expend funds for these services and in most instances the

amounts spent are insignificant compared with total payments. State data on the total amounts spent for medical care, hospitalization, and/or burial during the first half of the fiscal year, and included in total expenditures for assistance for that period, are shown in table 5; all States with

**Table 2.—Old-age assistance: Expenditures<sup>1</sup> for assistance to recipients in States with plans approved by the Social Security Board, by source of funds and State, fiscal year 1939-40**

[Amounts in thousands; data reported by State agencies, corrected to Nov. 25, 1940]

Social Security Board region and State	Total <sup>2</sup>	Federal funds		State funds		Local funds	
		Amount	Percent	Amount	Percent	Amount	Percent
<b>Total<sup>3</sup></b>	\$440,985.6	\$220,414.4	49.0	\$184,953.3	41.1	\$44,617.9	9.9
<b>Region I:</b>							
Connecticut	5,362.8	2,650.7	49.4	2,712.1	50.6		
Maine	3,313.9	1,641.1	49.5	1,672.8	50.5		
Massachusetts	28,264.6	13,588.9	48.1	10,027.4	35.5	4,648.3	16.4
New Hampshire	1,290.2	633.1	49.1	334.5	25.9	322.6	25.0
Rhode Island	1,549.5	774.8	50.0	774.8	50.0		
Vermont	1,057.6	521.1	49.3	536.5	50.7		
<b>Region II:</b>							
New York	33,727.9	15,662.7	46.4	9,559.5	28.4	8,505.8	25.2
<b>Region III:</b>							
Delaware	351.2	175.4	49.9	175.9	50.1		
New Jersey	7,320.5	3,640.5	49.7	2,764.9	37.8	915.1	12.5
Pennsylvania	22,758.9	11,278.6	49.6	11,480.3	50.4		
<b>Region IV:</b>							
District of Columbia	907.5	496.6	49.8	500.9	50.2		
Maryland	3,778.2	1,882.4	49.8	1,263.7	33.5	632.1	16.7
North Carolina	4,179.2	2,089.6	50.0	1,149.0	27.5	940.6	22.5
Virginia	1,868.2	934.1	50.0	583.8	31.3	350.3	18.7
West Virginia	2,702.7	1,346.5	49.8	1,356.2	50.2		
<b>Region V:</b>							
Kentucky	4,734.3	2,367.2	50.0	2,367.2	50.0		
Michigan	15,321.8	7,593.3	49.6	7,728.5	50.4		
Ohio	33,620.5	16,629.7	49.5	16,990.8	50.5		
<b>Region VI:</b>							
Illinois	32,962.3	16,428.7	49.8	16,533.6	50.2		
Indiana	13,923.1	6,914.7	49.7	4,566.8	32.8	2,441.6	17.5
Wisconsin	12,940.4	6,423.9	49.6	3,931.7	30.4	2,584.8	20.0
<b>Region VII:</b>							
Alabama	2,077.7	1,028.0	49.5	624.4	30.0	425.3	20.5
Florida	5,077.3	2,538.6	50.0	2,538.6	50.0		
Georgia	2,415.3	1,207.4	50.0	966.4	40.0	241.5	10.0
Mississippi	1,840.7	920.3	50.0	920.3	50.0		
South Carolina <sup>4</sup>	2,046.6	1,128.9	55.2	917.7	44.8		
Tennessee	4,635.7	2,317.8	50.0	1,738.4	37.5	579.5	12.5
<b>Region VIII:</b>							
Iowa <sup>5</sup>	13,039.9	6,794.7	52.1	6,245.2	47.9		
Minnesota	16,152.1	8,046.6	49.8	5,393.7	33.4	2,711.8	16.8
Nebraska	5,201.1	2,680.5	50.0	2,680.5	50.0		
North Dakota	1,819.4	905.3	49.7	778.2	42.8	135.9	7.5
South Dakota	3,137.9	1,569.0	50.0	1,569.0	50.0		
<b>Region IX:</b>							
Arkansas	1,330.7	665.3	50.0	665.3	50.0		
Kansas	5,794.8	2,880.4	49.7	1,127.6	19.5	1,786.7	30.8
Missouri	16,978.1	8,489.1	50.0	8,489.1	50.0		
Oklahoma	14,773.7	7,386.8	50.0	7,386.8	50.0		
<b>Region X:</b>							
Louisiana	4,441.1	2,214.5	49.9	2,226.6	50.1		
New Mexico	664.3	330.6	49.8	333.8	50.2		
Texas	14,975.6	7,487.8	50.0	7,487.8	50.0		
<b>Region XI:</b>							
Arizona	2,531.6	1,255.1	49.6	1,276.6	50.4		
Colorado	15,253.9	6,618.3	43.4	8,635.6	56.6		
Idaho	2,294.3	1,117.1	50.0	1,117.1	50.0		
Montana	2,621.1	1,310.5	50.0	918.5	35.0	392.1	15.0
Utah	3,473.6	1,724.6	49.7	1,227.9	35.3	521.0	15.0
Wyoming	928.9	464.5	50.0	248.1	26.7	216.4	23.3
<b>Region XII:</b>							
California	57,488.7	27,243.7	47.4	15,192.1	26.4	15,053.0	26.2
Nevada	721.8	360.9	50.0	180.4	25.0	180.4	25.0
Oregon	5,165.7	2,582.9	50.0	1,549.7	30.0	1,033.1	20.0
Washington	10,291.7	5,137.5	49.9	5,154.2	50.1		
<b>Territories:</b>							
Alaska	445.5	213.3	47.9	232.2	52.1		
Hawaii	241.5	120.7	50.0	120.8	50.0		

<sup>1</sup> Represent obligations incurred or disbursements in first 6 months for money payments, assistance in kind, medical care, hospitalization, and burial and in last 6 months for money payments and assistance in kind; exclude cost of administration. Totals may differ from totals of amounts reported monthly. Federal share cannot be compared with Federal grants to States.

<sup>2</sup> All amounts are rounded; therefore, totals may differ slightly from sums of rounded amounts. Percentage distributions are based on unrounded data.

<sup>3</sup> Addendum to Federal grant for assistance, which may be used for administrative expenses, assistance, or both, was used partly for assistance in South Carolina and entirely for assistance in Iowa.

payments for one or more of these services under at least one program are included in the table.

*Old-age assistance.*—The largest increases from the previous fiscal year in the Federal share of old-age assistance occurred in California, Iowa, Ohio, and South Carolina. The higher Federal proportion in California reflects the influence of the higher maximum on Federal participation in individual monthly payments that became effective

at the beginning of 1940; in both 1938-39 and 1939-40, a substantial proportion of the total number of recipients in California received monthly payments of more than \$30. In Ohio the increased Federal share is attributable primarily to the fact that the Federal Government did not participate in payments for old-age assistance in that State in October 1938.

Federal grants to the States for old-age assist-

**Table 3.—Aid to dependent children: Expenditures<sup>1</sup> for assistance to recipients in States with plans approved by the Social Security Board, by source of funds<sup>2</sup> and State, fiscal year 1939-40**

[Amounts in thousands; data reported by State agencies, corrected to Nov. 25, 1940]

Social Security Board region and State	Total <sup>3</sup>	Federal funds		State funds		Local funds	
		Amount	Percent	Amount	Percent	Amount	Percent
Total <sup>3</sup>	\$118,870.8	\$40,403.3	34.0	\$50,586.7	42.6	\$27,880.8	23.4
Region I:							
Maine	657.0	229.3	34.9	168.6	25.7	259.2	39.4
Massachusetts	8,002.2	1,982.5	24.8	2,666.6	33.3	3,353.1	41.9
New Hampshire	305.5	104.7	34.3	200.8	65.7		
Rhode Island	646.8	211.6	32.7	220.1	34.0	215.1	33.3
Vermont	186.7	79.3	42.4	53.7	28.8	53.7	28.8
Region II:							
New York	20,620.1	5,141.7	24.9	5,256.4	25.5	10,222.0	49.6
Region III:							
Delaware	190.4	76.1	40.0	57.1	30.0	57.1	30.0
New Jersey	3,933.6	1,558.3	39.6	1,028.9	26.2	1,346.4	34.2
Pennsylvania	13,664.3	4,562.8	33.4	9,101.4	66.6		
Region IV:							
District of Columbia	413.7	160.3	38.8	253.4	61.2		
Maryland	2,756.1	1,151.5	41.8	1,376.7	49.9	228.0	8.3
North Carolina	1,609.0	681.1	42.3	498.7	31.0	429.2	26.7
Virginia	497.2	217.9	43.8	174.6	35.1	104.7	21.1
West Virginia	1,840.9	776.2	42.2	1,064.7	57.8		
Region V:							
Michigan <sup>4</sup>	7,190.3	2,540.6	35.3	4,334.1	60.3	315.6	4.4
Ohio	4,653.0	1,479.6	31.8	1,315.2	28.3	1,858.2	39.9
Region VI:							
Indiana	5,691.3	2,204.1	38.7	2,289.5	40.2	1,197.7	21.1
Wisconsin	5,357.3	1,567.3	29.2	1,804.8	33.7	1,985.2	37.1
Region VII:							
Alabama	903.2	381.7	42.2	260.8	28.9	260.7	28.9
Florida	792.2	330.6	41.7	461.6	58.3		
Georgia	914.6	383.0	41.9	440.1	48.1	91.5	10.0
South Carolina <sup>4</sup>	703.9	347.0	49.3	356.9	50.7		
Tennessee	2,601.6	1,122.4	43.1	1,045.6	40.2	433.6	16.7
Region VIII:							
Minnesota	3,489.8	1,255.6	36.0	1,071.0	30.7	1,163.3	33.3
Nebraska	1,690.7	720.4	42.6	970.4	57.4		
North Dakota	847.7	347.6	41.0	251.8	29.7	248.3	29.3
Region IX:							
Arkansas	417.3	176.5	42.3	240.8	57.7		
Kansas	2,059.6	792.7	38.5	507.5	24.6	759.5	36.9
Missouri	2,701.2	1,159.7	42.9	1,541.4	57.1		
Oklahoma	2,693.6	1,140.7	42.3	1,552.9	57.7		
Region X:							
Louisiana	3,358.4	1,334.3	39.7	2,024.1	60.3		
New Mexico	511.6	209.7	41.0	301.9	59.0		
Region XI:							
Arizona	965.5	402.7	41.7	502.7	52.3		
Colorado	1,884.4	797.4	42.3	543.4	28.8	543.6	28.9
Idaho	907.3	381.6	42.1	525.8	57.9		
Montana	742.7	312.5	42.1	259.4	34.9	170.8	23.0
Utah	1,349.2	469.4	34.8	677.4	50.2	202.4	15.0
Wyoming	271.2	113.5	41.8	85.6	31.6	72.2	26.6
Region XII:							
California	7,780.6	2,315.6	29.8	3,400.2	43.7	2,064.8	26.5
Oregon	903.9	291.3	32.2	367.5	40.7	245.0	27.1
Washington	1,757.4	736.1	41.9	1,021.4	58.1		
Territory:							
Hawaii	407.6	156.6	38.4	251.0	61.6		

<sup>1</sup> Represent obligations incurred or disbursements in first 6 months for money payments, assistance in kind, medical care, hospitalization, and burial and in last 6 months for money payments and assistance in kind; exclude cost of administration. Totals may differ from totals of amounts reported monthly. Federal share cannot be compared with Federal grants to States.

<sup>2</sup> On Jan. 1, 1940, Federal funds were made available for one-half instead of one-third of amounts expended subject to Federal matching.

<sup>3</sup> All amounts are rounded; therefore, totals may differ slightly from sums of rounded amounts. Percentage distributions are based on unrounded data.

<sup>4</sup> Portion of Federal grant to cover administrative expenses for carrying out State plan was used in part for assistance.

ance include the Federal share of monthly payments to recipients and an additional amount equal to 5 percent of this sum, which may be used for either assistance or administration. The increase in the Federal share of assistance in South Carolina from 50.0 percent in 1938-39 to 55.2 percent in 1939-40 reflects the use for assistance payments in 1939-40 of part of such 5-percent addendums which had been accumulated. In Iowa, also, an increase in the Federal share to more than

one-half reflects the use of the 5-percent addendums for assistance.

Of the States with local financial participation in both years, the largest shifts in the shares provided by the State and local governments occurred in North Dakota and Oregon. The State and local shares in North Dakota were changed in July 1939 to 42.5 and 7.5 percent, respectively; formerly the State and localities had each borne 25 percent of assistance costs. In Oregon, where

**Table 4.—Aid to the blind: Expenditures<sup>1</sup> for assistance to recipients in States with plans approved by the Social Security Board, by source of funds and State, fiscal year 1939-40**

[Amounts in thousands; data reported by State agencies, corrected to Nov. 25, 1940]

Social Security Board region and State	Total <sup>2</sup>	Federal funds		State funds		Local funds	
		Amount	Percent	Amount	Percent	Amount	Percent
<b>Total<sup>2</sup></b>	<b>\$12,819.5</b>	<b>\$5,805.2</b>	<b>45.3</b>	<b>\$4,512.6</b>	<b>35.2</b>	<b>\$2,501.6</b>	<b>19.5</b>
<b>Region I:</b>							
Connecticut	52.4	26.0	49.7	26.3	50.3		
Maine	341.7	168.7	49.4	173.0	50.6		
Massachusetts	315.4	157.5	49.9	157.9	50.1		
New Hampshire	87.3	43.2	49.5	44.1	50.5		
Rhode Island	11.1	5.6	50.0	5.6	50.0		
Vermont	39.2	19.6	50.0	19.6	50.0		
<b>Region II:</b>							
New York	818.0	385.8	47.2	228.0	27.9	204.2	24.9
<b>Region III:</b>							
New Jersey	182.7	90.8	49.7			91.8	50.3
<b>Region IV:</b>							
District of Columbia	64.5	32.2	50.0	32.2	50.0		
Maryland	168.4	84.2	50.0	25.3	15.0	59.0	35.0
North Carolina	352.1	176.0	50.0	93.0	26.4	83.1	23.6
Virginia	145.4	72.7	50.0	45.4	31.2	27.3	18.8
West Virginia	157.7	78.8	50.0	78.9	50.0		
<b>Region V:</b>							
Michigan <sup>3</sup>	220.4	105.2	47.7	114.4	51.9	.8	.4
Ohio	921.4	453.2	49.2	141.6	15.4	326.6	35.4
<b>Region VI:</b>							
Indiana	606.5	295.7	48.8	310.8	51.2		
Wisconsin	550.9	274.8	49.9	166.9	30.3	109.3	19.8
<b>Region VII:</b>							
Alabama	60.2	30.1	50.0	15.1	25.0	15.1	25.0
Florida	333.4	166.7	50.0	166.7	50.0		
Georgia	125.9	62.9	50.0	50.3	40.0	12.6	10.0
Mississippi	59.8	29.9	50.0	29.9	50.0		
South Carolina <sup>3</sup>	103.6	56.5	54.6	47.1	45.4		
Tennessee	211.5	105.8	50.0	79.3	37.5	26.4	12.5
<b>Region VIII:</b>							
Iowa <sup>3</sup>	403.4	211.7	52.5	90.7	22.5	100.9	25.0
Minnesota	278.3	135.1	48.5	143.2	51.5		
Nebraska	153.8	76.9	50.0	76.9	50.0		
North Dakota	36.4	17.9	49.0	18.6	51.0		
South Dakota	46.4	23.2	50.0	23.2	50.0		
<b>Region IX:</b>							
Arkansas	54.2	27.1	50.0	27.1	50.0		
Kansas	278.4	137.4	49.3	56.2	20.2	84.8	30.5
Oklahoma	390.9	195.4	50.0	195.4	50.0		
<b>Region X:</b>							
Louisiana	179.7	89.5	49.8	90.1	50.2		
New Mexico	42.6	21.0	49.3	21.6	50.7		
<b>Region XI:</b>							
Arizona	104.5	51.8	49.5	52.8	50.5		
Colorado	211.8	103.5	48.9	54.0	25.5	54.3	25.6
Idaho	73.1	36.5	50.0	36.5	50.0		
Montana	43.1	20.9	48.5	16.3	37.8	5.9	13.7
Utah	65.6	31.7	48.4	24.0	36.6	9.8	15.0
Wyoming	50.7	24.2	47.7	26.5	52.3		
<b>Region XII:</b>							
California	3,954.9	1,428.2	36.1	1,264.2	32.0	1,262.5	31.9
Oregon	136.5	68.2	50.0	41.0	30.0	27.3	20.0
Washington	374.2	177.2	47.3	197.1	52.7		
<b>Territory:</b>							
Hawaii	11.5	5.8	50.0	5.8	50.0		

<sup>1</sup> Represent obligations incurred or disbursements in first 6 months for money payments, assistance in kind, medical care, hospitalization, and burial and in last 6 months for money payments and assistance in kind; exclude cost of administration. Totals may differ from totals of amounts reported monthly. Federal share cannot be compared with Federal grants to States.

<sup>2</sup> All amounts are rounded; therefore, totals may differ slightly from sums

of rounded amounts. Percentage distributions are based on unrounded data.

<sup>3</sup> Addendum to Federal grant for assistance, which may be used for administrative expenses, assistance, or both, was used partly for assistance in Michigan and South Carolina and entirely for assistance in Iowa.

the State and local governments were each required to supply 25 percent of total payments, the State and local shares became 30 and 20 percent, respectively, in March 1939. In two States—Idaho and Louisiana—the localities participated in the financing of old-age assistance payments during part of 1938–39, but not during 1939–40. Louisiana discontinued local participation in July 1938 and Idaho in March 1939.

*Aid to dependent children.*—The Federal share of total payments for aid to dependent children was higher in 1939–40 in all States; in most instances the increases from the previous fiscal year were substantial. These increases reflect, of course, the increase in the Federal matching ratio from one-third to one-half, beginning January 1940, of the total cost of carrying out the State plan, not counting the amounts by which individual monthly payments exceed the maximum for Federal participation. The exceptionally large increase in the Federal share in South Carolina—from 33.3 percent in 1938–39 to 49.3 percent in 1939–40—was attributable to the fact that in the latter year the State used Federal grants for aid to dependent children almost entirely for assistance and paid for administrative expenses almost exclusively from State funds.

The proportion of total payments supplied from State funds declined from 1938–39 to 1939–40 in the great majority of States. In the few instances in which the State share did not decrease, sizable declines occurred in the share provided by the localities.

In most of the States with local financial participation in both years, the local governments supplied a smaller proportion of total payments in 1939–40. A number of States lowered the shares of assistance costs supplied by their local units when the higher Federal matching ratio became effective in the latter half of the fiscal year. The local share in Alabama, Colorado, Delaware, North Dakota, Vermont, and Wyoming was lowered from 33½ to 25 percent; in Massachusetts, Montana, and Wisconsin from 33½ to 16½ percent; in Maine from 50 to 33½ percent; in Kansas from 46½ to 35 percent; in Indiana from 26½ to 20 percent; and in Virginia from 25 to 18½ percent. In California, where the relative share of State and local funds had been determined by applying separate matching ratios to different portions of individual payments, the local share was fixed

at 16½ percent beginning October 1, 1939. The ratios enumerated usually relate only to payments in which the Federal Government participates; in States making payments in excess of the Federal maximum, a much larger local share of such payments may be required. In Massachusetts, for example, the localities are responsible for 66½ percent of the amounts by which monthly payments exceed the Federal maximum; such amounts comprise a large part of total assistance costs.

The smaller local shares in 1939–40 in Oregon and Vermont reflect reductions in the proportions required of the localities in 1938–39 as well as reductions in 1939–40. In Oregon the local share was changed from 33½ to 26½ percent in March 1939. The local share in Vermont was reduced from 50 to 33½ percent in April 1939. Local par-

**Table 5.—Special types of public assistance: Estimated distribution of expenditures for medical care, hospitalization, and burial not included in money payments to recipients, by source of funds and State, July–December 1939<sup>1</sup>**

[Estimated from data reported by State agencies, corrected to Nov. 25, 1940]

Social Security Board region and State	Old-age assistance		Aid to dependent children		Aid to the blind	
	State funds	Local funds	State funds	Local funds	State funds	Local funds
<b>Region I:</b>						
Connecticut.....	\$31,307					
Maine.....	31,682				\$4,340	
New Hampshire.....	17,977	\$5,992	\$126		824	
Vermont.....	15,307					
<b>Region II:</b>						
New York.....	764,783	371,263			10,655	\$4,662
<b>Region III:</b>						
Delaware.....	520					
New Jersey.....	34,498	4,928	67	\$67		
Pennsylvania.....	201,689		229,079			
<b>Region IV:</b>						
District of Columbia.....	4,279					
Maryland.....	8,771	4,385			63	31
<b>Region V:</b>						
Michigan.....	135,132		(2)		(2)	
Ohio.....	344,369		14,612	20,430		4,363
<b>Region VI:</b>						
Illinois.....	104,990					
Indiana.....	54,907	36,604			15,083	
Wisconsin.....	48,625	44,048	37,563	75,127		739
<b>Region VII:</b>						
Alabama.....		188	164			
<b>Region VIII:</b>						
Iowa.....	100,785				3,161	1,054
Minnesota.....	29,307	29,579				
Nebraska.....					30	
North Dakota.....					319	
<b>Region X:</b>						
Louisiana.....	4,283		783			
<b>Region XI:</b>						
Arizona.....	14,619				970	
Colorado.....	47,719				3,566	1,188
Montana.....					1,316	
Utah.....	5,681	1,003	1,453	256	282	50
<b>Region XII:</b>						
Washington.....	16,594				60	

<sup>1</sup> Includes all States which made expenditures of this type under their programs for old-age assistance, aid to dependent children, and aid to the blind. Expenses for medical care, hospitalization, and burial are included in tables 2, 3, and 4 for first 6 months of fiscal year 1939–40 but excluded for last 6 months.

<sup>2</sup> Data not available.

**Table 6.—General relief: Expenditures<sup>1</sup> for assistance to cases in the continental United States, by source of funds and State, fiscal year 1939-40**

[Amounts in thousands; data reported by State agencies, corrected to Nov. 25, 1940]

Social Security Board region <sup>2</sup> and State	Total <sup>3</sup>	State funds		Local funds	
		Amount	Per cent	Amount	Per cent
<b>Total<sup>4</sup></b>	<b>\$438,070.4</b>	<b>\$259,275.5</b>	<b>59.2</b>	<b>\$178,794.8</b>	<b>40.8</b>
<b>Region I:</b>					
Connecticut	5,984.4	\$ 1,495.0	25.0	\$ 4,489.4	75.0
Maine	2,718.6	856.4	31.5	1,862.2	68.5
Massachusetts <sup>5</sup>	21,706.4	\$ 4,341.3	20.0	\$ 17,365.1	80.0
New Hampshire	2,103.8			2,103.8	100.0
Rhode Island <sup>6</sup>	3,025.8	\$ 1,376.0	45.5	\$ 1,649.8	54.5
Vermont <sup>7</sup>	622.4			622.4	100.0
<b>Region II:</b>					
New York	111,521.2	46,191.1	41.4	65,330.1	58.6
<b>Region III:</b>					
Delaware <sup>8</sup>	391.6	\$ 195.8	50.0	\$ 195.8	50.0
New Jersey	15,180.4	\$ 11,469.1	75.6	\$ 3,711.4	24.4
Pennsylvania	80,974.7	80,974.7	100.0		
<b>Region IV:</b>					
District of Columbia	578.4	578.4	100.0		
Maryland	2,329.9	838.0	36.0	1,491.9	64.0
North Carolina <sup>9</sup>	470.3			470.3	100.0
Virginia	893.0	\$ 476.0	53.3	\$ 417.0	46.7
West Virginia	1,293.8	\$ 863.5	66.7	\$ 430.3	33.3
<b>Region V:</b>					
Kentucky	\$ 585.0			\$ 585.0	100.0
Michigan <sup>10</sup>	15,687.0	\$ 7,761.1	43.1	\$ 7,925.9	56.9
Ohio	20,852.3	11,920.5	57.7	8,731.8	42.3
<b>Region VI:</b>					
Illinois	42,525.7	\$ 34,731.1	81.7	\$ 7,794.5	18.3
Indiana <sup>11</sup>	7,006.0			7,006.0	100.0
Wisconsin <sup>12</sup>	11,960.0	\$ 1,197.9	10.0	\$ 10,762.1	90.0
<b>Region VII:</b>					
Alabama	258.5	127.5	49.3	131.0	50.7
Florida	754.6			754.6	100.0
Georgia <sup>13</sup>	429.4			429.4	100.0
Mississippi <sup>14</sup>	51.1			51.1	100.0
South Carolina	233.0	115.9	49.8	117.0	50.2
Tennessee	\$ 333.0			\$ 333.0	100.0
<b>Region VIII:</b>					
Iowa	5,825.7	\$ 1,320.9	22.7	\$ 4,504.8	77.3
Minnesota <sup>15</sup>	11,326.8	2,201.8	19.4	9,125.0	80.6
Nebraska	1,212.6			1,212.6	100.0
North Dakota	595.8	\$ 299.1	50.2	\$ 296.7	49.8
South Dakota	666.6			666.6	100.0
<b>Region IX:</b>					
Arkansas	222.9	222.9	100.0		
Kansas	3,281.2	\$ 1,190.5	36.3	\$ 2,090.7	63.7
Missouri <sup>16</sup>	3,849.1	3,665.0	95.2	184.1	4.8
Oklahoma	\$ 861.3	371.7	43.2	\$ 489.6	56.8
<b>Region X:</b>					
Louisiana	1,556.3	1,540.7	99.0	15.6	1.0
New Mexico	158.9	150.9	94.9	8.0	5.1
Texas	1,218.0			1,218.0	100.0
<b>Region XI:</b>					
Arizona	497.1	497.1	100.0		
Colorado	2,004.8	\$ 1,132.4	56.5	\$ 872.4	43.5
Idaho	357.7	192.7	53.9	165.0	46.1
Montana	692.9	309.0	44.6	384.0	55.4
Utah	1,532.0	\$ 1,302.2	85.0	\$ 229.8	15.0
Wyoming	250.8	188.1	75.0	62.8	25.0
<b>Region XII:</b>					
California	46,861.7	37,377.5	79.8	9,484.2	20.2
Nevada	87.9	3.3	3.8	84.5	96.2
Oregon	1,728.2	\$ 1,021.6	59.1	\$ 706.6	40.9
Washington	3,011.7	\$ 1,778.8	59.1	\$ 1,232.9	40.9

<sup>1</sup> Represent obligations incurred or disbursements for money payments and assistance in kind; exclude medical care, hospitalization, and burial. Exclude cost of administration, of materials, equipment, and other items incident to operation of work-relief programs and of special programs. Data reported by States are adjusted to exclude expenditures for medical care. Totals may differ from totals of amounts reported monthly.

<sup>2</sup> Data arranged by region to facilitate comparison with data on special types of public assistance.

<sup>3</sup> All amounts are rounded; therefore, totals may differ slightly from sums of rounded amounts. Percentage distributions are based on unrounded data.

<sup>4</sup> Estimated.

<sup>5</sup> Data include unknown amount for medical care.

<sup>6</sup> State unemployment relief program only. In addition, \$573,000 estimated as expended by local relief officials.

<sup>7</sup> Estimated for part of fiscal year.

<sup>8</sup> Data include unknown amount for medical care, hospitalization, and burial.

participation in assistance payments was discontinued in Louisiana in July 1938 and in Idaho in March 1939.

*Aid to the blind.*—The largest upward changes from the previous fiscal year in the Federal proportion of total payments for aid to the blind occurred in California, Iowa, Michigan, South Carolina, and Washington. In California, Michigan, and Washington the increases were attributable to the higher maximum governing Federal participation in individual monthly payments during the latter half of the year. Each of these States made monthly payments of more than \$30 to a substantial portion of the case load prior to the time the Federal maximum was increased to \$40. In California the large majority of monthly payments were for \$50. The Federal shares of aid to the blind in South Carolina and Iowa increased in 1939-40 to more than one-half of total payments for the same reasons that the Federal shares of old-age assistance in these States increased to more than one-half. Prior to 1940, Federal grants to the States for aid to the blind were made on the same basis as those for old-age assistance. Since then they have represented one-half the cost of assistance payments, exclusive of amounts by which individual monthly payments exceed \$40, plus an amount equal to one-half the cost of administering the State plan, which may be used for either assistance or administration, or for both purposes.

Of the States in which the localities contributed toward assistance costs in both years, the largest shift in the proportions supplied by the State and localities occurred in Oregon. In that State the local share was reduced from 25 to 20 percent in March 1939. In three States which financed aid to the blind with only Federal and State funds in 1939-40, local funds had also been used in the previous fiscal year. Louisiana discontinued local participation in July 1938, Idaho in March 1939, and Nebraska in April 1939.

During 1939-40, one State—Rhode Island—was added to the group of States administering aid to the blind under the Social Security Act. Rhode Island's plan, which provides for financing assistance payments from Federal and State funds only, was not approved until January 1940, but Federal funds were made available retroactively to July 1939.

## Source of Funds for General Relief, 1938-39 and 1939-40

Estimated total expenditures for payments to general relief cases in the continental United States declined from \$472.4 million in 1938-39 to \$438.1 million in 1939-40. The proportions provided by the State and by the local governments were nearly identical in the 2 years.<sup>1</sup> State funds represented 59.3 percent of total payments in 1938-39 and 59.2 percent in 1939-40; local funds accounted for 40.7 and 40.8 percent, respectively. Part of the decline in total assistance costs in 1939-40 is attributable to the fact that the data on payments include expenditures for medical care of recipients for 1938-39, but exclude such expenditures as far as possible for 1939-40. This change in content of the data does not materially affect the distribution by source of funds in the great majority of States.

No change occurred from 1938-39 to 1939-40 in the group of States in which general relief payments were financed entirely from local

funds. This group included Florida, Georgia, Indiana, Kentucky, Mississippi, Nebraska, New Hampshire, North Carolina, South Dakota, Tennessee, Texas, and Vermont. In both years general relief was financed completely from State funds in Arizona, Arkansas, and Pennsylvania. Louisiana reported no local expenditures for general relief in 1938-39, but showed a small amount in 1939-40. Data for the 2 years indicate that the local share of total payments increased in 1939-40 in 18 States, decreased in 14 States, and was unchanged in 17 States. The largest increase in the shares provided by the localities were recorded for Colorado, Idaho, Michigan, Nevada, Oklahoma, South Carolina, and Washington. The largest declines in the local share occurred in Kansas, Maryland, New Mexico, Rhode Island, and Wyoming. As in the previous fiscal year, in 1939-40 the median local share of total payments—55.4 percent—was markedly above the national average of 40.8 percent. The local governmental units supplied from 50.0 to 100.0 percent of total assistance costs in 29 States.

<sup>1</sup> For 1938-39 data, see the *Bulletin*, January 1940, pp. 65-72.

## Statistics for the United States, December 1940

Effective with this issue of the *Bulletin*, the series on expenditures and recipients under public assistance and Federal work programs in the continental United States are revised as follows: (1) the data previously published for "Other Federal work and construction projects" are separated into Federal agency projects financed from emergency funds (other than those of the Civil Works Administration, Work Projects Administration, Civilian Conservation Corps, and National Youth Administration), and regular Federal construction projects; (2) earnings and persons employed on the latter group of projects are excluded from the data on total expenditures for assistance and earnings and the estimated numbers of households and persons benefited. This change is made on the recommendation of the Joint Committee on Relief Statistics of the American Public Welfare Association and the American Statistical Association.

During the past 8 years there have been shifts in the methods of financing Federal construction, and in certain periods a large part of such con-

struction has been financed from Federal emergency appropriations. Moreover, changes in the volume of employment and earnings on regular Federal construction projects have been interrelated with changes in employment and earnings under work programs of an emergency nature. When the relief series previously published by the WPA and the Social Security Board was revised at the beginning of 1939, these considerations led the Joint Committee on Relief Statistics to believe that the most comparable historical record of programs with relief and reemployment objectives was to be obtained by including employment financed from regular Federal funds as well as employment financed from emergency funds.

In the latter half of 1940, however, employment and earnings on other Federal agency projects financed from emergency funds declined to relatively small proportions, whereas employment and earnings on regular Federal construction projects expanded greatly. Furthermore, it is clear that the marked expansion in regular Federal construction is attributable to the national

defense program rather than changes in relief or reemployment policies. At the present time, therefore, it is believed that current and future developments affecting programs with relief and reemployment objectives will be more accurately reflected if data relating to regular Federal construction projects are excluded from the aggregate data on assistance and earnings.

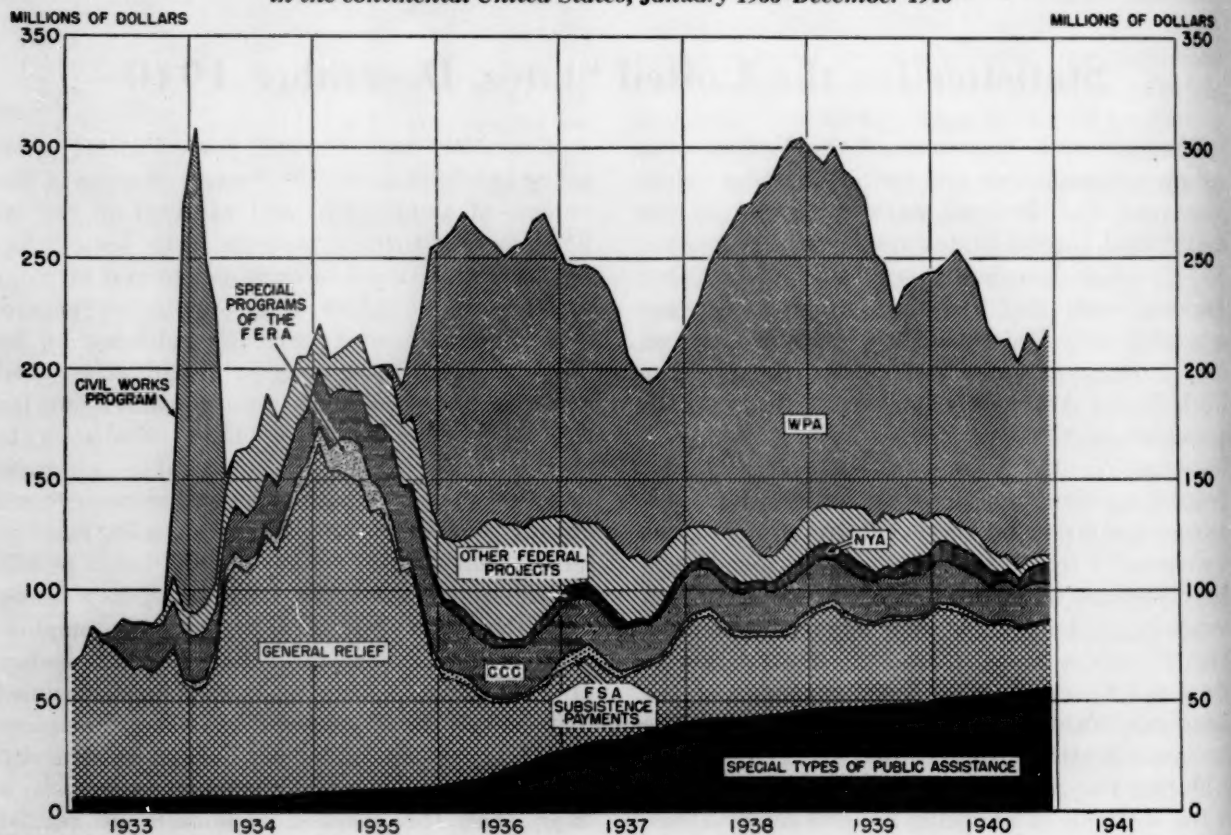
Revised monthly data on expenditures and recipients in the period January 1933 through December 1940 are presented in tables 8 and 9. The data on expenditures are summarized by semiannual periods in table 7.

In December 1940 total expenditures in the continental United States for payments to recipients of public assistance and earnings of persons employed under all Federal work programs except regular Federal construction projects amounted to \$217.7 million, an increase of 4.1 percent from the preceding month. Excluded from the data on expenditures are all costs of administering the various programs and of materials, supplies, and

equipment required for the operation of work projects. December payments are estimated to have benefited 5.3 million households, which included 14.7 million persons. The estimated numbers of households and persons were each 0.5 percent higher than in November.

From November to December, aggregate earnings of persons employed on projects of the WPA rose 9.6 percent to \$102.3 million; the average weekly number of persons employed on these projects increased 3.1 percent to 1.8 million. The relatively greater rise in earnings is attributable in part to factors associated with pay-roll procedures. Under the out-of-school work program of the NYA, total earnings were 18.6 percent larger than in November, and the total number of persons employed during the month was 24.4 percent greater. For the student work program there were relatively small increases of 1.2 percent in earnings and 2.3 percent in the number employed. With the close of an enrollment period in the final month of the quarter, earnings of

**Chart 2.—Public assistance and Federal work programs: Payments to recipients and earnings of persons employed in the continental United States, January 1933–December 1940<sup>1</sup>**



<sup>1</sup> This chart differs from that previously published, because earnings on "Other Federal projects" exclude earnings on regular Federal construction projects.

Table 7.—Public assistance and Federal work programs: Amount of assistance and earnings in the continental United States, by 6-month period, 1933-40

Period	Assistance to recipients				Earnings of persons employed under Federal work programs				Earnings on regular Federal construction projects
	Special types of public assistance		General relief	Subsistence payments certified by the Farm Security Administration	Civilian Conservation Corps	National Youth Administration		Work Projects Administration	
	Old-age assistance	Aid to dependent children				Aid to the blind	Student work program		
			Total						
Amount (in thousands)									
1933-January-June	\$467,167	\$13,435	\$20,722	\$2,001	\$403,200	\$2,006	\$24,853	\$214,056	\$75,940
1933-July-December	756,162	12,919	19,782	2,038	355,552	3,057	115,883	178,008	58,890
1934-January-June	1,260,398	14,317	20,254	3,237	464,941	25,123	118,421	111,046	20,012
1934-July-December	1,134,605	17,927	20,432	3,836	735,419	35,946	142,536	129,659	18,900
1935-January-June	1,290,935	20,105	20,688	3,880	832,878	85,294	139,401	174,812	29,150
1935-July-December	1,285,879	35,861	21,139	4,080	580,302	29,702	103,360	227,848	33,634
1936-January-June	1,573,835	52,703	23,309	6,021	248,767	2,688	133,279	286,238	90,656
1936-July-December	1,590,849	102,478	20,345	7,792	190,237	1,185	139,118	181,354	83,866
1937-January-June	1,450,603	141,305	32,322	7,568	211,684	20,959	114,252	152,932	121,147
1937-July-December	1,212,962	169,137	38,129	8,603	195,197	13,491	111,236	106,921	102,333
1938-January-June	1,495,571	191,038	46,556	9,121	256,279	9,088	119,082	1,019,000	143,012
1938-July-December	1,746,063	201,346	50,506	10,267	219,624	12,425	118,477	122,407	123,696
1939-January-June	1,743,201	211,608	56,105	10,267	252,863	6,630	112,036	128,220	183,549
1939-July-December	1,444,391	218,872	58,754	10,485	228,884	13,296	108,341	163,571	174,227
1940-January-June	1,452,766	231,402	64,332	10,791	223,370	4,988	107,505	31,763	340,337
1940-July-December	1,271,358	243,609	68,847	11,034	180,315				
Percentage distribution									
1933-January-June	100.0	2.9	4.4	0.4	86.4	0.4	5.3	28.4	4.1
1933-July-December	100.0	1.7	2.6	0.3	47.0	0.5	15.3	15.7	8.8
1934-January-June	100.0	1.1	1.6	0.3	36.9	2.0	9.4	30.0	15.7
1934-July-December	100.0	2.3	1.6	0.6	64.8	3.2	12.6	(7)	10.3
1935-January-June	100.0	2.8	1.6	0.3	45.2	6.8	11.1		13.6
1935-July-December	100.0	3.4	1.5	0.4	15.8	0.2	15.0	18.5	14.5
1936-January-June	100.0	9.7	1.7	0.5	14.6	0.8	9.7	51.8	18.3
1936-July-December	100.0	14.0	3.1	0.7	16.1	1.1	8.9	40.6	12.6
1937-January-June	100.0	12.8	3.1	0.6	17.2	1.3	6.8	41.8	7.1
1937-July-December	100.0	11.5	2.9	0.5	14.5	1.3	7.8	48.4	4.9
1938-January-June	100.0	12.1	3.2	0.6	15.8	1.3	6.8	7.0	7.0
1938-July-December	100.0	15.1	4.1	0.7	15.4	1.3	7.5	8.9	8.9
1939-January-June	100.0	15.9	4.4	0.7	15.4	1.3	7.5	44.7	4.4
1939-July-December	100.0	19.1	5.4	0.9	14.2	1.3	8.5	47.1	2.5
1940-January-June	100.0							46.0	2.5
1940-July-December	100.0								
Amount per inhabitant <sup>1</sup>									
1933-January-June	\$3.71	\$0.11	\$0.16	\$0.02	\$3.20	\$0.02	\$0.20	\$1.71	\$0.60
1933-July-December	6.01	0.10	0.16	0.03	2.83	0.03	0.13	0.88	0.16
1934-January-June	9.95	0.11	0.16	0.03	3.67	0.03	0.13	3.96	0.15
1934-July-December	8.96	0.14	0.16	0.03	5.81	0.03	0.13	(7)	0.23
1935-January-June	10.08	0.23	0.18	0.03	6.09	0.07	0.13		0.26
1935-July-December	12.25	0.28	0.17	0.03	4.54	0.02	0.13	\$1.87	0.71
1936-January-June	12.15	0.41	0.20	0.05	1.48	0.01	0.13	6.36	0.94
1936-July-December	11.22	0.80	0.20	0.06	1.45	0.01	0.13	6.04	0.94
1937-January-June	9.38	1.09	0.25	0.07	1.51	0.01	0.13	5.26	1.11
1937-July-December	11.57	1.31	0.30	0.07	1.98	0.01	0.13	3.92	0.82
1938-January-June	13.51	1.45	0.36	0.08	1.70	0.01	0.13	5.67	1.11
1938-July-December	13.49	1.56	0.30	0.08	1.90	0.01	0.13	7.10	0.96
1939-January-June	11.17	1.64	0.43	0.08	1.96	0.01	0.13	7.10	1.43
1939-July-December	11.03	1.69	0.45	0.08	1.77	0.01	0.13	5.00	1.32
1940-January-June	9.66	1.85	0.52	0.08	1.70	0.01	0.13	5.19	2.58
1940-July-December	9.66				1.37	0.01	0.13	4.45	

<sup>1</sup> See footnotes to table 8.  
<sup>2</sup> Less than 0.05 percent.

<sup>3</sup> Based on total population estimated by the U. S. Bureau of the Census as of July 1 of each year for 1933-36 and July 1, 1937, for 1937-39. For 1940, based on total population as of Apr. 1, 1940.  
<sup>4</sup> Less than 1 cent.

Table 8.—Public assistance and Federal work programs: Amount of assistance and earnings in the continental United States, by month, January 1933–December 1940<sup>1</sup>

[In thousands]

Year and month	Total <sup>1</sup>	Assistance to recipients				Earnings of persons employed under Federal work programs <sup>2</sup>							
		Special types of public assistance <sup>3</sup>			General relief <sup>4</sup>	Relief under special programs of the Federal Emergency Relief Administration <sup>5</sup>	Subsistence payments certified by the Farm Security Administration <sup>6</sup>	Civilian Conservation Corps <sup>7</sup>	National Youth Administration <sup>8</sup>		Work Projects Administration <sup>9</sup>	Other Federal agency projects financed from emergency funds <sup>10</sup>	Earnings on regular Federal construction projects <sup>11</sup>
		Old-age assistance	Aid to dependent children	Aid to the blind					Student work program	Out-of-school work program			
1933 total.....	\$1,223,329	\$26,071	\$40,504	\$5,839	\$758,762	\$5,753		\$140,736			\$214,956	\$30,718	\$134,830
January.....	66,426	2,322	3,670	493	59,615	326							10,910
February.....	70,964	2,313	3,431	474	64,438	328							10,060
March.....	74,077	2,249	3,487	479	77,442	420							11,670
April.....	78,227	2,207	3,406	496	70,309	335		1,474					12,690
May.....	80,819	2,175	3,406	479	68,037	335		6,387					14,810
June.....	86,634	2,159	3,322	480	63,359	322		16,902					15,770
July.....	84,546	2,131	3,252	479	57,719	339		20,579				26	13,990
August.....	85,082	2,107	3,281	478	56,372	314		19,966				1,897	12,200
September.....	83,856	2,068	3,283	479	56,598	322		19,169				5,907	8,810
October.....	90,379	2,073	3,293	501	62,531	439		15,575			31,932	10,791	6,755
November.....	137,552	2,068	3,297	483	67,971	735		20,245			183,024	11,903	5,075
December.....	274,147	2,139	3,365	497	51,361	1,538		20,319			503,000	289,554	41,325
1934 total.....	2,395,003	32,244	40,686	7,073	1,200,300	61,069		260,957					
January.....	308,194	2,342	3,389	543	48,333	2,967		20,810			218,790	11,091	3,628
February.....	247,882	2,331	3,361	516	50,219	3,566		20,489			154,549	12,851	3,113
March.....	229,700	2,373	3,413	514	61,025	4,778		18,761			123,630	12,206	2,811
April.....	150,870	2,371	3,353	543	97,917	4,062		17,894			5,908	18,142	3,258
May.....	162,696	2,426	3,385	530	105,942	4,913		20,560			102	31,898	3,065
June.....	164,056	2,474	3,353	591	101,485	4,317		19,907			11	31,918	3,517
July.....	170,286	2,553	3,381	637	105,398	3,773		22,113			1	32,430	3,439
August.....	188,473	2,672	3,401	618	118,549	4,293		25,019				33,921	3,724
September.....	176,613	2,750	3,357	628	111,002	5,004		23,114				30,758	3,570
October.....	189,271	2,919	3,409	662	122,026	6,872		24,510				28,873	3,730
November.....	204,958	3,114	3,413	639	135,780	7,671		24,674				29,667	3,540
December.....	205,004	3,919	3,471	652	142,664	8,333		23,106				22,859	3,310
1935 total.....	2,540,814	64,966	41,727	7,970	1,433,180	114,956	\$2,541	332,851	\$6,364		\$238,018	304,201	47,950
January.....	220,200	4,406	3,417	655	158,084	9,325		25,036				19,277	2,880
February.....	204,629	4,626	3,397	639	144,163	10,416		24,305				17,083	2,670
March.....	208,109	4,738	3,422	638	145,178	10,416		21,437				17,912	2,780
April.....	211,048	4,920	3,472	659	141,148	18,663		20,499				22,587	3,240
May.....	215,430	5,109	3,403	641	139,236	17,766		23,675				25,530	3,500
June.....	200,629	5,306	3,417	658	125,069	14,340		24,539				27,300	3,730
July.....	201,848	5,541	3,408	681	127,073	9,833		26,098			2	27,102	3,890
August.....	202,046	5,656	3,488	660	117,386	9,833		33,987			5,312	28,711	4,130
September.....	192,299	5,817	3,472	669	98,125	7,146		33,777	221		16,392	28,826	4,700
October.....	210,834	6,002	3,526	683	99,896	3,627		32,106	1,653		32,617	30,774	5,030
November.....	224,331	6,306	3,569	693	79,697	2,718	99	33,582	1,653		65,015	30,577	5,050
December.....	254,551	6,539	3,626	694	58,185	1,608	2,442	32,120	2,395		118,480	28,462	5,060
1936 total.....	3,134,684	155,241	49,654	12,813	439,004	3,873	20,365	292,397	20,329	\$28,883	1,962,039	514,086	124,284
January.....	257,735	7,019	3,533	884	48,245	817	2,788	29,792	2,928	106	134,237	27,696	4,418
February.....	262,852	7,713	3,770	979	47,051	519	2,997	28,188	2,928	1,061	140,672	27,407	3,709
March.....	270,749	8,273	3,807	1,019	44,737	472	3,151	24,858	2,928	2,153	147,930	31,250	4,018
April.....	264,870	9,247	3,951	1,024	40,268	331	2,014	22,575	2,928	2,903	138,834	40,428	5,006
May.....	260,325	9,902	4,010	1,045	35,140	280	1,307	24,148	2,928	2,866	130,241	47,006	6,251
June.....	257,304	10,069	4,238	1,070	33,346	259	1,307	23,518	2,928	3,070	124,966	53,461	9,632
July.....	255,215	13,088	4,271	1,082	30,945	201	563	24,466	1,842	2,574	121,621	52,373	14,168
August.....	14,947	1,084	4,034	1,082	30,945	184	885	23,629	1	2,574	121,621	52,373	14,168
September.....	257,025	16,288	4,253	1,122	30,193	190	1,148	20,903	342	2,729	125,068	52,792	15,053

October	267,270	18,004	4,401	1,144	30,804	1,307	23,133	2,787	135,188	47,087	10,804
November	270,133	19,303	4,588	1,163	32,030	1,416	24,012	2,933	137,002	48,804	15,320
December	290,197	20,788	4,818	1,179	36,435	1,474	24,945	3,122	139,760	50,678	16,139
1937 total	2,663,565	310,442	70,451	16,171	406,881	35,894	245,756	32,664	1,180,200	334,286	205,013
January	248,032	21,644	4,941	1,217	37,085	14,584	24,485	3,087	114,838	31,195	12,512
February	246,650	22,335	5,107	1,234	38,300	14,755	24,158	3,245	116,047	27,013	11,653
March	247,239	23,002	5,378	1,259	39,813	14,933	21,228	3,227	116,047	27,013	11,653
April	244,408	24,361	5,486	1,268	40,745	15,553	21,228	3,316	116,047	27,013	11,653
May	237,738	24,753	5,460	1,279	40,615	15,553	21,228	3,316	116,047	27,013	11,653
June	226,516	25,106	5,740	1,311	38,228	15,553	21,228	3,316	116,047	27,013	11,653
July	206,005	25,799	5,604	1,320	38,015	15,553	21,228	3,316	116,047	27,013	11,653
August	188,739	26,378	5,125	1,354	39,955	15,553	21,228	3,316	116,047	27,013	11,653
September	177,077	27,012	6,203	1,440	30,274	15,553	21,228	3,316	116,047	27,013	11,653
October	197,077	28,607	6,555	1,464	30,728	15,553	21,228	3,316	116,047	27,013	11,653
November	204,320	29,697	6,885	1,492	33,981	15,553	21,228	3,316	116,047	27,013	11,653
December	213,028	30,665	7,167	1,524	41,243	15,553	21,228	3,316	116,047	27,013	11,653
1938 total	3,241,634	392,384	97,442	18,938	476,203	22,579	230,318	41,560	1,750,836	101,756	246,345
January	221,684	31,186	7,357	1,451	46,404	2,204	19,940	2,552	93,000	15,534	15,451
February	221,862	31,403	7,572	1,489	47,207	2,473	19,461	2,166	93,000	15,534	15,451
March	248,135	31,782	7,874	1,519	47,471	2,577	18,336	2,203	109,693	13,911	14,971
April	246,626	32,072	7,880	1,527	41,113	2,325	18,311	2,255	131,419	16,958	17,320
May	244,064	32,319	7,886	1,555	37,337	2,186	18,014	2,406	137,916	17,376	19,576
June	275,200	32,276	7,987	1,580	36,747	1,786	17,174	2,005	146,068	24,477	21,167
July	275,373	32,826	8,013	1,603	35,999	1,291	19,848	1,550	155,709	16,383	23,637
August	282,945	32,915	8,300	1,619	36,244	1,117	19,334	3,903	167,959	10,408	24,252
September	284,982	33,259	8,389	1,634	35,400	1,231	18,767	2,111	166,659	12,466	27,299
October	295,771	33,625	8,506	1,643	34,934	1,483	20,367	1,980	176,100	13,105	24,527
November	302,612	33,981	8,739	1,660	36,476	1,703	20,514	2,408	177,229	13,709	22,968
December	304,380	34,740	8,939	1,678	40,805	2,263	19,252	2,417	172,892	16,934	20,282
1939 total	3,187,592	430,480	114,049	20,752	481,747	19,055	230,513	51,338	1,565,224	250,627	307,245
January	297,511	35,006	9,226	1,687	43,699	2,391	20,642	2,266	160,006	17,641	18,782
February	293,122	35,120	9,305	1,704	45,025	2,327	20,689	2,457	164,765	17,108	18,097
March	290,938	35,188	9,498	1,714	46,584	2,492	18,103	2,446	162,590	16,895	18,568
April	280,726	35,209	9,212	1,719	41,274	2,242	19,974	2,494	162,457	16,737	17,889
May	285,680	35,198	9,279	1,714	39,233	1,689	20,432	2,404	147,979	20,520	27,349
June	277,204	35,797	9,585	1,729	37,048	1,284	18,637	1,935	146,977	20,520	27,349
July	252,128	36,184	9,630	1,729	36,207	828	18,372	1,935	122,112	20,520	27,349
August	266,578	36,378	9,663	1,739	38,227	1,212	19,372	2,365	111,053	24,344	29,988
September	225,565	36,511	9,712	1,736	38,655	856	17,097	306	105,080	23,430	32,706
October	226,864	36,335	9,840	1,744	38,715	867	19,308	2,390	101,986	21,542	31,723
November	240,028	36,626	9,900	1,763	38,289	1,165	19,321	2,932	105,584	19,559	31,783
December	243,228	36,838	10,009	1,774	38,731	1,702	17,621	2,932	111,894	16,255	30,337
1940 total	2,724,124	475,011	133,179	21,825	403,685	18,254	215,846	65,167	1,268,994	95,414	514,564
January	244,395	38,201	10,385	1,790	41,534	2,008	19,436	2,832	109,759	12,624	24,766
February	246,568	38,526	10,513	1,783	40,422	2,263	19,406	2,814	115,032	11,132	24,075
March	253,755	38,329	10,721	1,793	39,085	2,805	17,479	2,266	124,363	9,693	25,244
April	247,885	38,400	10,839	1,800	36,690	2,440	18,031	2,370	119,959	10,264	30,088
May	239,260	38,656	10,892	1,803	34,273	2,144	17,908	2,427	114,339	10,264	30,088
June	218,913	39,200	10,982	1,822	31,376	1,637	18,872	2,314	100,419	9,704	36,016
July	212,047	39,638	11,065	1,818	32,156	1,637	18,137	2,314	100,419	8,092	39,176
August	213,469	39,928	11,218	1,852	31,638	940	19,022	2,479	97,076	6,782	43,517
September	203,012	40,034	11,317	1,829	28,506	733	16,828	4	93,341	5,528	46,833
October	216,097	40,864	11,647	1,847	29,226	811	18,479	2,150	101,792	4,483	55,004
November	206,045	41,306	11,708	1,847	28,915	831	18,725	3,033	93,312	3,898	60,010
December	217,697	41,839	11,972	1,861	29,865	1,057	16,314	3,091	102,285	2,960	85,897

Figures are partly estimated and subject to revision; exclude cost of administration and of materials, equipment, and other items incident to operation of work programs.

Figures differ from those previously published, because they exclude earnings on regular Federal construction projects. See footnotes 12 and 13.

Figures for January 1933-January 1936 represent payments from State and local funds only; for subsequent months from Federal, State, and local funds for programs administered under State plans approved by the Social Security Board and from State and local funds for programs administered under State laws without Federal participation. Exclude cost of hospitalization and burial and, beginning with September 1940, of medical care.

Figures for January 1933-March 1937 from the WPA, Division of Statistics. Figures for 1933-35

represent direct relief, and earnings of relief and nonrelief persons (other than of administrative employees) employed under general relief program of the FERA, and estimates for relief extended to casual and beginning with September 1940, of medical care.

Figures from the WPA, Division of Statistics; represent relief extended to cases under emergency education, student aid, rural rehabilitation, and transient programs of emergency relief administrations largely financed from FERA funds.

Figures from the FSA; represent net amount of emergency grant vouchers certified to cases and value of commodities purchased by the FSA and distributed during month.

Figures represent earnings of persons certified as in need and earnings of all other persons em-

played on projects financed in whole or in part from Federal funds. Figures for the CCC include earnings of enrolled persons only.

\* Figures estimated by the CCC by multiplying average monthly number of persons enrolled by average of \$70 for each month through June 1939, \$87 for July-October 1939, and \$66.25 for subsequent months. Average amount is based on amount of obligations incurred for cash allowances, for clothing, shelter, subsistence, and medical care of persons enrolled, and for certain other items.

† Figures for September 1935-June 1939 from the WPA, Division of Statistics, for subsequent months from the CCC.

‡ Figures from the WPA, Division of Statistics; represent earnings of persons employed on projects operated by the WPA and, for July 1935 and subsequent months, earnings of persons employed on Federal agency projects financed by transfer of WPA funds; cover all pay-roll periods ended during month.

§ Figures from the WPA, Division of Statistics; represent estimated total earnings during month of persons employed under Civil Works Program.

|| Figures from the Bureau of Labor Statistics, Division of Construction and Public Employment; and February 1937 were not certified until January and March 1937, respectively.

**Table 9.—Public assistance and Federal work programs: Recipients of assistance and persons employed in the continental United States, by month, January 1933–December 1940<sup>1</sup>**

[In thousands]

Year and month	Estimated unduplicated total <sup>1</sup>		Recipients of assistance					Persons employed under Federal work programs <sup>2</sup>					Persons employed on regular Federal construction projects <sup>3</sup>				
			Households	Persons in these households	Special types of public assistance			Cases receiving general relief <sup>4</sup>	Cases added under special programs of the Federal Emergency Relief Administration <sup>5</sup>	Cases for which subsistence payments were certified by the Farm Security Administration <sup>6</sup>	Civilian Conservation Corps <sup>7</sup>	National Youth Administration <sup>8</sup>		Work Projects Administration <sup>9</sup>	Civil Works Program <sup>10</sup>	Other Federal agency projects financed from emergency funds <sup>11</sup>	
	Old-age assistance	Aid to dependent children			Aid to the blind	Student work program	Out-of-school work program										
	1933																
January.....	4,504	17,020	116	112	280	25	4,247	65									152
February.....	4,704	18,648	116	108	270	24	4,512	65									144
March.....	5,338	21,035	112	113	283	24	5,087	84									108
April.....	5,456	21,410	110	111	278	25	5,185	67									190
May.....	5,182	20,303	109	111	278	24	4,849	67									227
June.....	4,705	18,774	108	108	270	24	4,328	64									208
July.....	4,579	17,602	106	109	272	25	4,062	63									180
August.....	4,448	17,301	105	110	275	24	3,940	63									167
September.....	4,328	16,714	105	111	277	24	3,859	64									122
October.....	4,254	16,073	104	111	277	25	3,647	77									91
November.....	5,557	20,462	105	111	277	24	4,037	77									66
December.....	7,164	25,375	107	112	285	25	5,246	101									
1934																	
January.....	7,974	28,093	123	110	275	27	7,135	131									45
February.....	7,975	28,093	123	109	272	26	7,284	160									36
March.....	7,236	25,870	125	111	272	26	6,770	229									32
April.....	6,398	23,098	125	109	272	27	6,056	259									38
May.....	5,825	21,255	128	110	275	26	5,636	297									44
June.....	5,775	21,053	130	109	272	26	5,568	289									42
July.....	5,923	21,656	134	110	275	32	6,003	325									41
August.....	6,216	22,773	141	110	275	31	6,841	323									42
September.....	6,241	22,773	145	109	272	31	7,384	354									44
October.....	6,331	22,717	154	111	277	32	8,270	434									42
November.....	6,510	23,305	164	111	277	32	9,096	451									39
December.....	6,707	24,144	206	113	280	33	9,367	447									
1935																	
January.....	6,900	24,733	240	108	270	33	5,579	460									34
February.....	6,825	24,479	256	107	267	32	5,542	472									31
March.....	6,853	24,399	263	108	270	32	5,466	603									31
April.....	6,785	24,954	274	110	275	33	5,313	646									38
May.....	6,693	23,520	281	110	275	32	5,139	627									42
June.....	6,360	22,325	263	108	270	33	4,829	557									44
July.....	6,134	21,679	302	110	275	34	4,663	458									46
August.....	6,126	21,480	314	110	275	33	4,515	389									49

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See footnotes on following page.



<sup>1</sup> Figures are partly estimated and subject to revision.

<sup>2</sup> Estimated by the Work Projects Administration and the Social Security Board. Figures differ from those previously published, because they exclude persons employed on regular Federal construction projects. See footnotes 12 and 13.

<sup>3</sup> Figures for January 1933-January 1936 represent recipients assisted from State and local funds only; for subsequent months from Federal, State, and local funds for programs administered under State plans approved by the Social Security Board and from State and local funds for programs administered under State laws without Federal participation. Exclude recipients of hospitalization and/or burial only and, beginning with September 1940, of medical care only.

<sup>4</sup> Figures for January 1933-March 1937 from the WPA, Division of Statistics; represent number aided during month. Figures for 1933-35 represent cases receiving direct relief, and relief and non-relief persons (other than administrative employees) employed under general relief program of the FERA, and estimates of general relief cases aided by local authorities from public funds under poor laws. Exclude cases receiving hospitalization and/or burial only and, beginning with September 1940, medical care only.

<sup>5</sup> Figures from the WPA, Division of Statistics; represent cases receiving relief during month under emergency education, student aid, rural rehabilitation, and transient programs of emergency relief administrations largely financed from FERA funds.

<sup>6</sup> Figures from the FSA; represent net number of emergency grant vouchers certified to cases and number of cases receiving commodities purchased by the FSA and distributed during month. Ordinarily only 1 grant voucher per case is certified as in need and all other persons employed on work and construction projects financed in whole or in part from Federal funds; exclude administrative employees.

<sup>7</sup> Figures represent persons certified as in need and all other persons employed on work and construction projects financed in whole or in part from Federal funds; exclude administrative employees. Figures for the CCC include enrolled persons only.

<sup>8</sup> Figures from the CCC; estimated for January 1935-April 1935; for subsequent months they are

averages computed by the CCC from reports on number of persons enrolled on 10th, 20th, and last day of each month, except for the Indian Division for which averages are computed from daily report.

<sup>9</sup> Figures for September 1935-June 1939 from the WPA, Division of Statistics, for subsequent months from the NYA; represent number of persons employed during month.

<sup>10</sup> Figures from the WPA, Division of Statistics; represent average weekly number of persons employed during month on projects operated by the WPA and, for July 1938 and subsequent months, persons employed on Federal agency projects financed by transfer of WPA funds.

<sup>11</sup> Figures from the WPA, Division of Statistics; represent estimated number of persons employed during month under the Civil Works Program.

<sup>12</sup> Figures from the Bureau of Labor Statistics, Division of Construction and Public Employment; represent average weekly number of persons employed during monthly period ended on 15th of specified month on projects financed in whole or in part from emergency Federal funds other than those of the CWA, CCC, NYA, and WPA. In previous issues of the Bulletin, such projects were combined with construction projects financed in whole or in part from regular Federal funds under "Other Federal work and construction projects."

<sup>13</sup> Excluded from estimated unduplicated total; figures for January 1933-December 1935 partly estimated by the WPA, for subsequent months from the Bureau of Labor Statistics, Division of Construction and Public Employment. Represent average weekly number of persons employed during monthly period ended on 15th of specified month on projects financed in whole or in part from regular Federal funds. In previous issues of the Bulletin, such projects were combined with other Federal agency projects financed in whole or in part from emergency funds under "Other Federal work and construction projects."

<sup>14</sup> Less than 500 persons.

<sup>15</sup> For administrative reasons, some payments which would have been certified in December 1936 and February 1937 were not certified until January and March 1937, respectively.

persons enrolled in the CCC declined 12.9 percent to \$16.3 million; the average number of enrollees decreased 13.1 percent. Earnings and employment on other Federal agency projects financed from emergency funds declined sharply from November. Total earnings on such projects dropped 23.6 percent, and the average weekly number of persons employed decreased 20.7 percent.

Larger amounts were expended in December for payments to recipients under each of the assistance programs. Aggregate expenditures for general relief moved upward 3.3 percent to \$29.9 million; the total number of cases assisted rose 2.1 percent to 1.2 million. Total payments for old-age assistance increased 1.3 percent to \$41.8 million, and obligations incurred for aid to dependent children rose 2.3 percent to \$12.0 million. Expenditures for aid to the blind amounting to \$1.9 million represented an increase of 0.8 percent. The total amount of subsistence payments certified by the Farm Security Administration was 24.8 percent higher in December,

but such payments represent a negligible portion of total assistance and earnings.

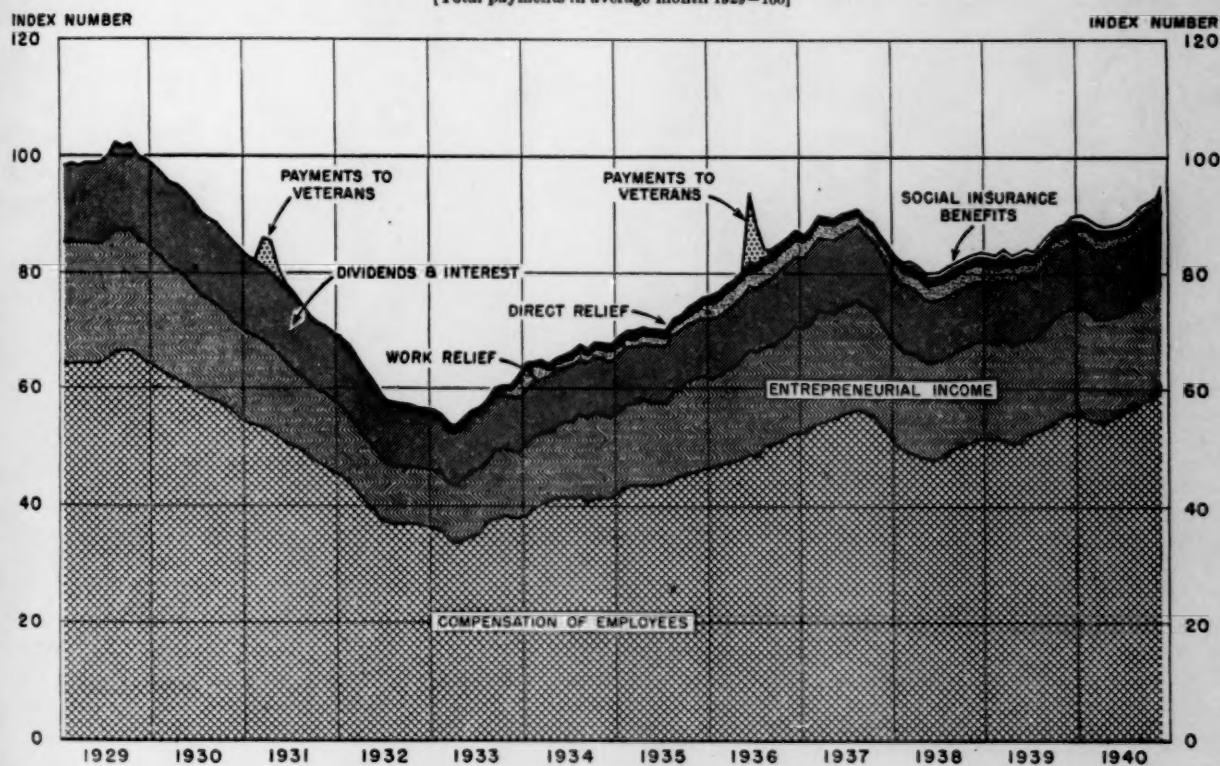
Compared with total expenditures for assistance and earnings for December 1939, those for December 1940 were smaller by 10.5 percent. Smaller amounts were spent in December 1940 for earnings on WPA projects, earnings on other Federal agency projects financed from emergency funds, CCC earnings, general relief payments, and subsistence payments by the FSA. Expenditures for payments for each of the special types of public assistance and for earnings under each of the work programs of the NYA were greater than in December 1939.

Fluctuations in total income payments in the continental United States during the period January 1929 through December 1940 are shown in chart 3. This chart indicates the relative magnitude of different kinds of income payments, including those for direct relief and work relief.

Data on the food stamp plan, which is administered by the Surplus Marketing Administration

Chart 3.—Index of income payments in the continental United States, January 1929–December 1940<sup>1</sup>

[Total payments in average month 1929=100]



<sup>1</sup> Compensation of employees, entrepreneurial income, and dividends and interest adjusted for seasonal variation.

Source: U. S. Department of Commerce, National Income Division.

of the United States Department of Agriculture primarily for the purpose of removing agricultural surpluses, are presented in table 10. Under this plan, persons participating receive blue surplus-food stamps in proportion to their purchases of orange-colored food stamps. The orange-colored food stamps may be used for the purchase of any food product sold in retail stores, but the blue surplus-food stamps may be used to buy only agricultural products currently listed as surplus by the Secretary of Agriculture.

### General Relief

During December 1.2 million general relief cases in the continental United States received assistance amounting to \$29.9 million (table 11). General relief payments are financed by the State and/or local governments without Federal participation and represent money payments and

**Table 10.—Food stamp plan: Number of areas included and participants, and value of surplus-foodstamps issued in the continental United States, by month, May 1939–December 1940<sup>1</sup>**

Month	Number of areas included <sup>1</sup>	Number of partici- pants <sup>2</sup>		Value of surplus- food stamps issued
		Cases	Persons	
1939				
May.....	1	5,711	21,000	\$22,473
June.....	2	15,971	51,000	101,848
July.....	3	28,128	75,700	158,455
August.....	6	46,964	136,500	285,413
September.....	6	54,881	156,300	334,944
October.....	8	61,018	173,900	371,203
November.....	14	79,000	220,600	481,148
December.....	19	137,286	398,900	833,956
1940				
January.....	30	196,648	569,200	1,176,843
February.....	38	304,398	832,900	1,745,367
March.....	53	371,995	1,066,900	2,210,602
April.....	62	442,488	1,277,300	2,667,051
May.....	71	476,613	1,393,300	2,986,686
June.....	83	507,021	1,488,500	3,161,982
July.....	99	533,077	1,566,600	3,514,649
August.....	124	661,494	1,916,500	4,501,090
September.....	137	706,077	2,072,100	4,633,288
October.....	165	705,401	2,213,800	5,229,838
November.....	209	843,381	2,541,100	5,782,318
December <sup>4</sup> .....	231	921,025	2,821,600	6,587,993

<sup>1</sup> Figures do not include persons receiving commodities under direct distribution program of the Surplus Marketing Administration or value of such commodities.

<sup>2</sup> An area represents a city, county, or group of counties. Population of areas with plans in operation in December 1940 was 42.8 million according to preliminary 1940 population figures released by the U. S. Bureau of the Census. By Dec. 31, 1940, 40 additional areas with a population of 3.8 million had been designated for inclusion.

<sup>3</sup> Includes recipients of old-age assistance, aid to dependent children, and aid to the blind; recipients of, and those eligible for, general relief; persons certified as in need of relief and employed on or awaiting assignment to projects financed by the WPA; and recipients of subsistence payments from the FSA. In some areas certain of these groups, in accordance with agreements with local public welfare authorities, do not participate. Figures include for 1 area (Shawnee, Okla.) some low-income families, i. e., those having weekly income of less than \$19.50, who have been eligible to participate since October 1939.

<sup>4</sup> Preliminary.

Source: U. S. Department of Agriculture, Surplus Marketing Administration.

assistance in kind. Excluded from the data on payments are all costs of administering the programs, of special activities and programs financed with general relief funds, and of medical care, hospitalization, and burial of recipients. The recipient count under programs for general relief is the case, which may be an individual, a family, or a group of unrelated persons living together as a social and economic unit.

For the group of 41 States reporting actual figures which exclude data on medical care, hospitalization, and burial for both November and December, the total number of cases assisted was 1.7 percent larger in the latter month, and the total sum expended for relief was 3.0 percent greater. In the 35 States with comparable data on total payments in December 1939 and December 1940, aggregate expenditures in December 1940 were smaller by 20.7 percent. The number of cases receiving relief in December 1940 is not compared with the number aided in the same month a year earlier, because comparable data are not available for a majority of the States.

### Special Types of Public Assistance

In December, obligations incurred for payments to recipients of old-age assistance, aid to dependent children, and aid to the blind in the 48 States, the District of Columbia, Alaska, and Hawaii totaled \$55.8 million. This aggregate amount represents payments made under State plans approved by the Social Security Board and payments made under State laws without Federal participation. Excluded from the data are all costs of administering the programs and of medical care, hospitalization, and burial of recipients.

Practically all the total sum expended for December payments was accounted for by States providing these types of assistance under the Social Security Act. Of the \$55.8 million spent for assistance, \$54.8 million or about 98 percent represented expenditures in States with approved plans (table 12). The remaining \$1.0 million was paid to blind persons and to families with dependent children in States in which these groups are assisted without participation by the Federal Government.

Aggregate expenditures for payments to recipients in all States increased 1.5 percent from November to December. Compared with

the total amount of obligations incurred in December 1939, total payments in December

1940 were greater by \$7.2 million or 14.9 percent.

*Old-age assistance.*—Programs for old-age assist-

Table 11.—General relief in the continental United States, by State, December 1940 <sup>1</sup>

[Data reported by State agencies, corrected to Jan. 25, 1941]

State	Number of cases receiving relief	Amount of payments to cases <sup>2</sup>	Average amount per case	Percentage change <sup>3</sup> from—		
				November 1940 in—		December 1939 in amount of payments
				Number of cases	Amount of payments	
Total for continental United States <sup>4</sup>	1,239,000	\$29,855,000				
Total for 40 States <sup>5</sup>	1,110,078	27,874,463	\$25.11	+1.8	+3.1	+20.1
Alabama	2,264	20,245	8.94	-7.1	-6.5	-2.6
Arizona	3,247	48,084	15.09	+4	+1.6	+26.2
Arkansas	4,415	25,727	5.83	+1.7	+3.6	+39.3
California	83,796	2,386,593	28.48	+5.6	+13.0	-47.4
Colorado	15,738	207,444	13.18	+11.1	+9.8	+13.0
Connecticut	13,331	386,164	28.97	-8	+4.2	-21.9
Delaware	996	21,287	21.32	-2.5	-11.1	-37.7
District of Columbia	2,088	51,035	25.04	+2	+4	+9.5
Florida	9,295	60,886	6.55	-1.4	-2.9	-7.7
Georgia	6,334	42,056	6.64	+6	+3.7	+27.9
Idaho	2,299	34,009	14.79	+8.6	+7.4	+8.4
Illinois	153,601	3,613,248	23.52	-1.0	-1.2	-4.8
Indiana	43,740	660,421	15.10	+4.4	+7.5	-10.3
Iowa	26,607	437,312	16.44	+5.6	+6.2	( <sup>6</sup> )
Kansas	16,560	265,506	16.03	+1.0	+6.9	-17.7
Kentucky <sup>10</sup>	5,200	50,000				
Louisiana	10,823	163,565	15.11	+5.4	+5.9	+15.4
Maine	9,847	225,728	22.92	+8.2	+12.9	-16.9
Maryland	8,474	193,675	22.86	+9	+4.7	-7.0
Massachusetts	52,023	1,434,068	27.57	-1.0	+1.8	( <sup>6</sup> )
Michigan	49,782	1,170,546	23.51	+6.7	+15.9	-9.9
Minnesota	34,278	850,343	24.81	+2.0	+8.1	( <sup>6</sup> )
Mississippi	920	3,067	3.33	+7	+12.3	( <sup>6</sup> )
Missouri	24,805	322,686	13.01	+3.0	-7	-1.6
Montana	4,438	68,893	15.32	+2.4	+1.5	+15.1
Nebraska	9,601	115,169	12.00	+7.2	+15.9	+14.1
Nevada	520	8,285	15.93	-5.8	-1.6	+9.8
New Hampshire <sup>10</sup>	6,600	150,000				
New Jersey	38,256	944,925	24.70	-2.5	+1.0	-32.8
New Mexico	2,107	23,060	10.94	+4.0	+31.7	( <sup>6</sup> )
New York	232,890	8,722,445	37.45	+1.4	+2.2	-7.6
North Carolina	5,297	36,690	6.93	+8.9	+8.6	( <sup>6</sup> )
North Dakota	4,228	58,832	13.92	+17.3	+19.9	+11.3
Ohio	77,343	1,809,414	19.52	+2.7	+11.8	-3
Oklahoma	14,343	66,133	( <sup>11</sup> )	( <sup>11</sup> )	+34.3	-21.8
Oregon	9,470	147,545	15.58	+10.5	+9.1	-6.4
Pennsylvania	150,006	3,688,990	24.59	-9	-7.1	-41.5
Rhode Island <sup>10</sup>	5,111	163,971	32.08	-1.1	+1.6	-29.5
South Carolina	2,175	18,322	8.42	+2	+8	-6.3
South Dakota <sup>10</sup>	5,000	70,000				
Tennessee <sup>10</sup>	3,200	23,000				
Texas	10,837	93,561	8.63	+6.0	+3.3	-3.4
Utah	5,384	120,006	22.29	+2.0	+4.4	-2.7
Vermont	2,394	43,949	18.36	+20.1	+25.8	( <sup>6</sup> )
Virginia	5,680	53,500	9.42	+5	+3	-30.3
Washington	17,031	274,622	16.12	+14.2	+23.5	-13.8
West Virginia	11,506	100,696	8.75	+3.5	+6.2	+5.8
Wisconsin	39,050	872,142	22.33	-1	+8.6	-19.6
Wyoming	1,382	20,761	15.02	+22.8	+20.3	+3.4

<sup>1</sup> Data differ from those published for January–August 1940, because they exclude cases receiving medical care, hospitalization, and/or burial only, and total payments for such services to these cases and to cases also receiving money payments and/or assistance in kind. Allowances for medical care and hospitalization included in money payments are not excluded. They also differ from data published for months prior to 1940, which included cases receiving medical care only and total payments for medical care.

<sup>2</sup> Represents obligations incurred for month from State and local funds for money payments and assistance in kind; excludes cost of administration, of materials, equipment, and other items incident to operation of work-relief programs, and of special programs.

<sup>3</sup> Not computed from December 1939 for number of cases because comparable data are not available for most States.

<sup>4</sup> Partly estimated. Does not represent total of State figures because data are estimated to exclude all cases receiving medical care, hospitalization, and/or burial only, and total payments for these services.

<sup>5</sup> Excludes Kentucky, New Hampshire, South Dakota, and Tennessee for which figures are estimated; Colorado, Indiana, New Jersey, and New Mexico, for which data include cases receiving medical care, hospitalization, and/or burial only; and Oklahoma (see footnote 12).

<sup>6</sup> Comparison for 34 States. In addition to States mentioned in footnote 5, Iowa, Massachusetts, Minnesota, Mississippi, North Carolina, and Vermont are also excluded because comparable data are not available.

<sup>7</sup> Includes unknown number of cases receiving medical care only and total payments for medical care.

<sup>8</sup> Includes unknown number of cases receiving medical care, hospitalization, and/or burial only, and total payments for medical care, hospitalization, and burial.

<sup>9</sup> Not computed, because comparable data are not available.

<sup>10</sup> Estimated.

<sup>11</sup> Includes cases receiving medical care only; number believed by State agency to be insignificant.

<sup>12</sup> Includes 5,276 cases aided under program administered by State board of public welfare, and 9,067 cases aided by county commissioners; duplication in cases aided believed to be large; average per case and percentage change in number of cases cannot be computed.

<sup>13</sup> State unemployment relief program only. It is estimated that, in addition, 2,900 cases received relief amounting to \$60,000 from local relief officials.

ance are administered under State plans approved by the Social Security Board in all 51 States eligible for Federal grants for the special types of public assistance. In December 2.1 million aged persons received assistance payments amounting to \$41.9 million (table 13). From November to December the total number of recipients increased 0.8 percent, and the total amount of obligations incurred moved upward 1.3 percent. In the 50 States for which comparable data are available for December 1939 and December 1940, the total number benefiting was 8.2 percent larger in December 1940, and total expenditures for assistance were 13.9 percent greater.

*Aid to dependent children.*—December payments for aid to dependent children in the 43 States with approved plans totaled \$11.7 million; this sum was paid to 359,000 families in behalf of 866,000 dependent children (table 14). These figures represent increases from the previous month of 2.3 percent in total payments, 1.8 percent in the number of families, and 2.1 percent in the number of children. For the group of 42 States with approved plans in December 1939 and December 1940, the total numbers of families and children assisted in December 1940 were 18.3 and 18.1 percent greater, respectively, and the total sum paid to recipients was 20.9 percent larger.

**Table 12.—Special types of public assistance: Recipients and amount of payments to recipients in States with plans approved by the Social Security Board, by month, January 1938–December 1940<sup>1</sup>**

[Data reported by State agencies, corrected to Jan. 15, 1941]

Year and month	Number of recipients <sup>2</sup>				Amount of payments to recipients <sup>3</sup>			
	Old-age assistance	Aid to dependent children <sup>3</sup>		Aid to the blind	Total	Old-age assistance	Aid to dependent children <sup>3</sup>	Aid to the blind
		Families	Children					
1938 total.....					\$494,797,140	\$390,402,054	\$93,427,846	\$10,967,240
January.....	1,602,025	218,009	541,224	33,595	39,050,567	31,227,485	7,014,662	808,420
February.....	1,625,539	224,737	557,613	35,149	39,510,592	31,443,867	7,222,237	844,488
March.....	1,648,306	231,001	572,582	36,393	40,217,107	31,821,575	7,524,472	871,000
April.....	1,664,541	236,241	585,190	37,218	40,522,133	32,115,423	7,530,714	875,996
May.....	1,680,051	240,079	594,024	38,131	40,787,565	32,364,745	7,540,168	882,632
June.....	1,659,295	243,422	603,335	38,783	40,872,494	32,323,431	7,644,607	904,456
July.....	1,709,812	244,712	606,164	39,596	41,475,321	32,875,578	7,671,460	928,283
August.....	1,719,124	251,743	620,181	40,195	41,886,379	32,965,264	7,978,814	942,301
September.....	1,733,999	254,839	628,755	41,002	42,336,545	33,309,172	8,071,316	956,057
October.....	1,638,457	257,415	633,703	41,449	40,287,138	31,131,171	8,188,402	967,565
November.....	1,764,509	261,115	641,681	42,256	43,438,019	34,031,996	8,422,218	983,805
December.....	1,779,292	266,222	654,260	42,938	44,413,280	34,792,347	8,618,776	1,002,157
1939 total.....					554,773,980	431,139,902	111,183,281	12,450,797
January.....	1,790,055	273,687	670,040	43,355	44,969,281	35,058,634	8,900,364	1,010,283
February.....	1,802,296	282,108	686,532	43,740	45,260,728	35,173,297	9,067,661	1,019,770
March.....	1,815,913	284,262	689,946	43,968	45,440,032	35,242,039	9,173,357	1,024,656
April.....	1,832,686	282,009	683,888	44,240	45,281,113	35,354,391	8,809,963	1,026,759
May.....	1,835,246	285,692	691,663	44,161	45,244,883	35,253,819	8,968,982	1,022,082
June.....	1,845,040	297,344	717,989	44,579	46,166,438	35,832,758	9,278,766	1,034,914
July.....	1,860,550	298,627	720,134	44,897	46,601,353	36,240,775	9,325,066	1,035,512
August.....	1,874,090	298,915	720,460	45,255	46,824,105	36,431,580	9,349,336	1,043,189
September.....	1,887,459	299,707	722,209	45,308	47,014,370	36,565,702	9,402,706	1,045,962
October.....	1,896,535	300,026	722,040	45,437	46,971,735	36,390,582	9,528,637	1,052,516
November.....	1,905,968	299,995	722,967	45,608	47,334,832	36,681,658	9,590,872	1,062,302
December.....	1,911,663	301,823	730,195	45,861	47,665,090	36,894,667	9,697,571	1,072,832
1940 total.....					618,825,715	475,764,026	129,674,042	13,387,647
January.....	1,925,349	311,783	753,699	46,080	49,411,973	38,258,283	10,073,662	1,080,028
February.....	1,929,936	315,771	763,076	46,299	49,877,109	38,583,706	10,207,883	1,085,520
March.....	1,935,703	320,666	774,569	46,526	49,893,910	38,388,068	10,413,612	1,092,220
April.....	1,944,950	325,347	784,883	46,865	50,189,938	38,550,408	10,539,353	1,100,177
May.....	1,956,614	329,179	793,280	47,177	50,413,658	38,717,600	10,589,730	1,106,308
June.....	1,970,507	333,011	801,735	47,578	51,068,106	39,263,252	10,686,141	1,118,713
July.....	1,989,167	336,288	811,170	47,812	51,612,180	39,701,860	10,791,455	1,118,866
August.....	2,003,926	339,645	820,556	48,106	52,041,767	39,992,831	10,920,904	1,128,032
September.....	2,019,620	343,362	829,044	48,302	52,253,566	40,069,450	11,028,855	1,125,261
October.....	2,037,385	346,545	836,280	48,548	53,322,172	40,930,351	11,255,167	1,136,654
November.....	2,054,398	352,136	848,426	48,838	53,971,249	41,372,613	11,453,011	1,145,625
December.....	2,069,972	358,541	866,038	49,016	54,770,087	41,905,604	11,714,249	1,150,234

<sup>1</sup> Data relate to programs administered under State plans approved by the Social Security Board and programs under State laws without Federal participation administered concurrently with similar programs under approved plans. For data for February 1936–December 1937, see the *Bulletin*, July 1939, p. 52.

<sup>2</sup> Represents for January 1938–August 1940 recipients of money payments, assistance in kind, and/or medical care, and for September 1940 and thereafter recipients of money payments and/or assistance in kind. Excludes recipients of hospitalization and/or burial only.

<sup>3</sup> Includes estimates for Hawaii for January–May 1938.

<sup>4</sup> Represents obligations incurred for month from Federal, State, and local funds for January 1938–August 1940 for money payments, assistance in kind, and payments for medical care, and for September 1940 and thereafter for money payments and assistance in kind. Excludes cost of administration, hospitalization, and burial.

Payments for aid to dependent children in 8 States in which such aid is administered without Federal participation amounted to \$307,000 in

December 1940. This sum was received by 12,500 families for the assistance of 28,600 dependent children in Alaska, Connecticut, Illinois,

Table 13.—Old-age assistance in States with plans approved by the Social Security Board, by State, December 1940<sup>1</sup>

[Data reported by State agencies, corrected to Jan. 15, 1941]

Social Security Board region and State	Number of recipients	Amount of payments to recipients <sup>2</sup>	Average amount per recipient	Percentage change from—				Number of recipients per 1,000 estimated population 65 years and over <sup>3</sup>
				November 1940 in—		December 1939 in—		
				Number of recipients	Amount of payments	Number of recipients	Amount of payments	
Total.....	2,069,972	\$41,905,604	\$20.24	+0.8	+1.3	+48.2	+13.9	<sup>4</sup> 261
Region I:								
Connecticut.....	17,534	490,214	27.96	+1.0	+4.2	+3.9	+7.4	180
Maine.....	13,220	275,258	20.82	— .9	— .8	— 5.4	— 4.6	154
Massachusetts.....	87,019	2,523,982	29.00	+ .3	+ .9	+5.5	+5.8	264
New Hampshire.....	6,609	140,611	21.28	+3.6	+4.0	( <sup>5</sup> )	+48.2	125
Rhode Island.....	6,960	138,944	19.96	— .1	+ .3	+2.6	+6.7	155
Vermont.....	5,240	86,498	16.51	— .6	+ .9	— 6.2	— .8	134
Region II:								
New York.....	120,771	3,008,700	24.91	+ .4	+1.3	+5.4	+11.1	152
Region III:								
Delaware.....	2,530	28,880	11.42	— 1.5	— 1.3	— 1.3	+2.7	120
New Jersey.....	31,410	660,001	21.01	+ .2	+ .6	+3.8	+7.8	126
Pennsylvania.....	99,994	2,195,322	21.95	+ .1	+ .5	+27.6	+30.4	161
Region IV:								
District of Columbia.....	3,419	87,067	25.47	— .4	— .2	+2.9	+4.5	81
Maryland.....	18,252	324,177	17.76	— .4	— .3	+1.6	+4.3	166
North Carolina.....	36,982	374,175	10.12	+ .4	+ .6	+5.6	+6.9	<sup>6</sup> 263
Virginia.....	19,644	195,465	9.95	+ .9	+1.4	+21.1	+24.9	129
West Virginia.....	18,617	260,428	13.99	+ .2	— .2	+7.2	+21.6	244
Region V:								
Kentucky.....	54,374	484,645	8.91	+1.3	+1.4	+20.5	+23.9	294
Michigan.....	77,808	1,303,544	16.75	+1.0	+1.3	+ .4	+2.2	266
Ohio.....	134,021	3,080,821	22.99	+1.7	+1.8	+8.6	+7.4	277
Region VI:								
Illinois.....	142,020	3,131,894	22.05	+ .6	+1.3	+2.3	+12.7	283
Indiana.....	67,231	1,217,727	18.11	+ .1	+ .3	+1.8	+5.0	233
Wisconsin.....	53,310	1,200,864	22.53	+ .5	+ .6	+7.4	+12.0	242
Region VII:								
Alabama.....	20,195	187,330	9.28	+ .8	+ .9	+9.8	+8.1	<sup>7</sup> 183
Florida.....	37,687	471,224	12.50	+ .6	+1.2	+4.2	+11.3	397
Georgia.....	38,746	317,648	8.20	+3.2	+3.7	+70.1	+72.7	<sup>8</sup> 297
Mississippi.....	25,154	216,264	8.60	+2.7	+3.1	+26.6	+44.9	279
South Carolina.....	17,415	137,716	7.91	— 1.0	— 1.2	— 17.2	— 18.0	<sup>9</sup> 281
Tennessee.....	40,275	407,013	10.11	( <sup>7</sup> )	+ .1	— 1.1	— .7	<sup>8</sup> 299
Region VIII:								
Iowa.....	56,435	1,169,562	20.72	+ .5	+ .7	+5.1	+8.2	258
Minnesota.....	63,056	1,334,394	21.16	+ .2	+ .4	— 4.7	— 2.2	323
Nebraska.....	28,579	551,634	19.30	+ .7	+ .9	+4.3	+29.0	292
North Dakota.....	8,923	149,741	16.78	+ .5	+ .6	+ .6	— 5.0	248
South Dakota.....	14,945	288,425	19.30	( <sup>7</sup> )	— .2	+5.2	+14.9	356
Region IX:								
Arkansas.....	25,124	197,755	7.87	+2.8	+2.0	+38.7	+81.7	<sup>9</sup> 314
Kansas.....	28,063	562,059	20.03	+ .5	+1.8	+7.8	+13.2	<sup>9</sup> 232
Missouri.....	108,349	1,619,994	14.95	+1.5	+1.4	+37.6	+8.9	347
Oklahoma.....	73,016	1,339,231	17.85	+ .5	+ .7	+6.6	+8.2	630
Region X:								
Louisiana.....	34,343	432,997	12.61	+2.0	+3.2	+11.7	— 1.8	<sup>9</sup> 457
New Mexico.....	4,911	84,272	17.16	+ .9	+3.7	+21.6	+55.4	<sup>9</sup> 340
Texas.....	120,483	1,658,891	13.77	+ .7	+1.9	— .1	+57.1	423
Region XI:								
Arizona.....	8,500	238,102	28.01	+1.2	+1.3	+9.4	+15.2	500
Colorado.....	<sup>9</sup> 41,851	<sup>9</sup> 1,325,209	31.66	+ .4	+7.1	+4.6	+16.4	<sup>9</sup> 517
Idaho.....	9,116	204,033	22.38	+ .6	+ .8	+5.7	+10.2	314
Montana.....	12,217	232,754	19.05	+ .3	+3.2	+ .2	+6.0	394
Utah.....	13,669	308,676	22.58	+ .6	+ .9	— 1.5	+5.6	306
Wyoming.....	3,464	82,825	23.91	+ .7	+1.0	+4.5	+7.3	<sup>9</sup> 547
Region XII:								
California.....	150,942	5,716,383	37.87	+ .8	+ .8	+12.7	+29.4	328
Nevada.....	2,316	61,493	26.55	+ .5	+ .6	+2.7	+2.3	386
Oregon.....	19,626	419,982	21.40	+1.1	+1.1	— 5.5	— 5.2	234
Washington.....	40,254	913,744	22.70	+ .7	+1.4	+3.0	+6.0	322
Territories:								
Alaska.....	1,544	43,568	28.22	+ .5	+1.0	+16.4	+17.7	386
Hawaii.....	1,809	23,450	12.96	+ .4	+ .5	+5.5	+19.4	<sup>9</sup> 181

<sup>1</sup> Data differ from those published for January-August 1940, because they exclude recipients of medical care, hospitalization, and/or burial only and total payments for such services to these recipients and to recipients also receiving money payments and/or assistance in kind. Allowances for medical care and hospitalization included in money payments are not excluded. They also differ from data published for months prior to 1940, which included recipients of medical care only and total payments for medical care.

<sup>2</sup> Represents obligations incurred for month from Federal, State, and local funds for money payments and assistance in kind; excludes cost of administration.

<sup>3</sup> Population as of July 1, 1938, estimated with advice of the U. S. Bureau of the Census.

<sup>4</sup> Comparison for 50 States; excludes New Hampshire for which data are not comparable on both recipients and payments.

<sup>5</sup> Adjusted for payments covering 2 or more eligible individuals.

<sup>6</sup> Not computed, because comparable data are not available.

<sup>7</sup> Decrease of less than 0.05 percent.

<sup>8</sup> Includes \$114,396 incurred for payments to 3,608 persons 60 but under 65 years of age. Rate per 1,000 excludes these recipients.

Iowa, Kentucky, Mississippi, Nevada, and Texas.

*Aid to the blind.*—Assistance to the blind is administered under the Social Security Act in 43

States; in these States, December payments to 49,000 recipients totaled about \$1.2 million (table 15). The total number of persons assisted and

**Table 14.—Aid to dependent children in States with plans approved by the Social Security Board, by State, December 1940<sup>1</sup>**

[Data reported by State agencies, corrected to Jan. 15, 1941]

Social Security Board region and State	Number of recipients		Amount of payments to recipients <sup>1</sup>	Average amount per family	Percentage change from—						Number of recipients per 1,000 estimated population under 16 years <sup>2</sup>
					November 1940 in—			December 1939 in—			
	Families	Children			Number of recipients		Amount of payments	Number of recipients		Amount of payments	
					Families	Children		Families	Children		
Total.....	358,541	486,038	\$11,714,249	\$32.67	+1.8	+2.1	+2.3	+18.3	+18.1	+20.9	29
Region I:											
Maine.....	1,586	4,019	61,992	39.09	+3	-1	+4	+11.2	+11.3	+14.5	17
Massachusetts.....	12,652	31,347	745,720	58.94	+9	+9	+1.7	+13.1	+9.7	+8.2	28
New Hampshire.....	620	1,550	28,215	45.51	-1.7	-2.1	-2	+4.4	-2	+8.7	12
Rhode Island.....	1,277	3,611	58,669	45.94	+1.1	+1.1	+1.3	+9.5	+14.2	+8.5	20
Vermont.....	614	1,729	20,189	32.88	-1.0	-1.4	-5	+27.1	+23.8	+35.8	17
Region II:											
New York.....	34,490	67,830	1,617,705	46.90	-9	-9	-1	-5.2	-5.7	-8.8	22
Region III:											
Delaware.....	574	1,575	19,098	33.27	+1.4	+1.1	+5	+14.8	+24.5	+21.2	24
New Jersey.....	11,194	25,220	349,589	31.23	-7	-6	-4	+3.6	+6.2	+7.7	22
Pennsylvania.....	48,778	117,916	1,769,400	36.27	+8.5	+10.4	+9.2	+61.3	+70.1	+66.9	40
Region IV:											
District of Columbia.....	944	2,804	35,558	37.67	+1.7	+1.5	+1.1	+3.7	+3.7	+3.3	22
Maryland.....	7,050	18,941	224,014	31.78	-2	-1	-7	-2.9	-3.3	-3.2	42
North Carolina.....	9,655	23,631	161,888	16.77	+1.1	+8	+1.8	+18.8	+13.4	+30.3	19
Virginia.....	3,906	11,710	79,465	20.34	+3.4	+2.9	+3.0	+117.7	+101.4	+113.0	13
West Virginia.....	8,608	23,431	201,326	23.39	+1.4	+1.2	+5	+18.1	+13.8	+58.9	37
Region V:											
Michigan.....	20,153	48,501	816,158	40.50	+7	+4	+4	+51.9	+42.1	+64.7	37
Ohio.....	11,307	30,762	450,793	39.87	+1.2	+1.1	+1.5	+12.2	+8.6	+17.5	17
Region VI:											
Indiana.....	17,347	35,639	494,152	28.49	(9)	+1	+4	+1.5	+1.7	+4.4	39
Wisconsin.....	12,697	28,611	475,267	37.73	+6	+7	+8	+5.5	+4.4	+7.6	22
Region VII:											
Alabama.....	5,849	17,005	79,709	13.63	+3	+5	-4	+7.4	+6.5	+13.7	17
Florida.....	4,360	10,902	94,789	21.74	+9	+8	+1.5	+8.0	+3.4	+13.2	23
Georgia.....	4,568	11,602	98,211	21.50	+3.4	+3.3	+4.4	+28.2	+22.2	+35.3	11
South Carolina.....	3,005	8,970	49,005	16.31	+2.4	+2.4	+2.3	-22.0	-21.2	-19.7	13
Tennessee.....	14,383	36,314	266,207	18.51	(9)	(9)	+2	+48.8	+41.5	+49.4	39
Region VIII:											
Minnesota.....	9,179	21,826	317,385	34.58	+1.3	+1.3	+1.6	+11.5	+9.7	+9.7	30
Nebraska.....	5,696	12,647	178,797	31.39	+1.8	+1.9	+1.8	+9.3	+7.7	+31.2	33
North Dakota.....	2,432	6,718	75,410	31.01	+1.0	+8	+8	+7.7	+6.8	+5.8	29
South Dakota.....	1,556	3,492	28,653	18.41	-15.6	-14.1	-13.0	(11)	(11)	(11)	16
Region IX:											
Arkansas.....	6,114	15,486	84,138	13.76	+2.8	+2.6	+1.7	+55.0	+44.4	+163.2	23
Kansas.....	6,480	15,177	194,198	29.97	+8	+9	+1.8	+6.0	+10.0	+12.1	30
Missouri.....	13,181	31,078	318,165	24.14	+6.7	+5.7	+6.7	+34.2	+35.1	+67.7	30
Oklahoma.....	19,226	43,928	281,891	14.66	-1	-2	+1	+12.2	+11.1	+34.6	54
Region X:											
Louisiana.....	14,664	40,788	374,749	25.56	+3.3	+4.2	+5.1	+24.5	+22.0	+23.0	60
New Mexico.....	2,068	5,916	54,152	26.19	+1.5	+1.5	+2.4	+15.9	+13.6	+20.3	41
Region XI:											
Arizona.....	2,515	7,195	81,435	32.38	+8	+1.4	+9	+1.6	+5.2	+2.2	56
Colorado.....	6,223	15,192	188,420	30.28	+1.3	+1.2	+1.4	+23.6	+23.7	+25.6	51
Idaho.....	2,942	7,320	86,865	29.53	+3	+1	+4	+9.0	+12.3	+16.8	47
Montana.....	2,486	6,056	71,234	28.65	+2.6	+2.5	+3.3	+12.5	+14.8	+15.6	40
Utah.....	3,785	9,750	144,424	38.16	+2.1	+2.4	+4.7	+14.2	+22.4	+34.2	56
Wyoming.....	721	1,814	23,278	32.29	(11)	-3	-3	+6	+2.3	+2.9	27
Region XII:											
California.....	15,598	37,572	730,775	46.85	+4	+2	+1.1	+8.8	+6.9	+17.3	28
Oregon.....	1,972	4,636	78,996	40.06	+2	+4	+4	+3.7	+5.3	+4.0	17
Washington.....	4,951	11,759	157,894	31.89	+7	+5	+9	+3.2	+7.8	+10.5	30
Territory:											
Hawaii.....	1,235	4,068	46,271	37.47	+1.2	+1.6	+1.9	+26.1	+19.9	+42.5	30

<sup>1</sup> Data differ from those published for January-August 1940, because they exclude recipients of medical care, hospitalization, and/or burial only, and total payments for such services to these recipients and to recipients also receiving money payments and/or assistance in kind. Allowances for medical care and hospitalization included in money payments are not excluded. They also differ from data published for months prior to 1940, which included recipients of medical care only and total payments for medical care.

<sup>2</sup> Represents obligations incurred for month from Federal, State, and local funds for money payments and assistance in kind; excludes cost of administration.

<sup>3</sup> Population as of July 1, 1938, estimated with advice of the U. S. Bureau of the Census.

<sup>4</sup> Includes an unknown number of children 16 years of age and over.

<sup>5</sup> Comparison for 42 States; excludes South Dakota which did not have an approved plan for December 1939.

<sup>6</sup> Decrease of less than 0.05 percent.

<sup>7</sup> Includes approximately 2,918 children 16 years of age and over. Rate per 1,000 excludes these children.

<sup>8</sup> Includes aid to dependent children administered under State law without Federal participation.

<sup>9</sup> Increase of less than 0.05 percent.

<sup>10</sup> In addition, in 66 counties payments amounting to \$14,607 were made from local funds without Federal participation to 806 families in behalf of 1,820 children under the State mothers'-pension law. Some families receiving aid from this source for December also received aid under State plan for aid to dependent children approved by the Social Security Board.

<sup>11</sup> No approved plan for December 1939.

<sup>12</sup> No change.

<sup>13</sup> Includes 566 children 16 years of age and over. Rate per 1,000 excludes these children.

the total amount expended for payments were each 0.4 percent higher than in November. In the 42 States with comparable data for December 1939 and December 1940, the total number aided was 7.1 percent larger in December 1940, and total obligations were 8.0 percent greater.

In December 1940, \$712,000 was expended for aid to the blind in 4 States administering this type of assistance without participation by the Federal Government. This amount was paid to 24,400 blind persons in Illinois, Missouri, Nevada, and Pennsylvania.

Table 15.—Aid to the blind in States with plans approved by the Social Security Board, by State, December 1940<sup>1</sup>

[Data reported by State agencies, corrected to Jan. 15, 1941]

Social Security Board region and State	Number of recipients	Amount of payments to recipients <sup>1</sup>	Average amount per recipient	Percentage change from—				Number of recipients per 100,000 estimated population <sup>2</sup>
				November 1940 in—		December 1939 in—		
				Number of recipients	Amount of payments	Number of recipients	Amount of payments	
Total.....	49,016	\$1,150,234	\$23.47	+0.4	+0.4	+7.1	+8.0	50
Region I:								
Connecticut.....	218	\$5,826	26.72	+1.9	+1.8	-13.1	-9.3	13
Maine.....	1,141	25,922	22.72	-1.3	-1.4	-8.5	-9.0	133
Massachusetts.....	1,171	27,474	23.46	+3.7	+5.0	+3	+3.8	26
New Hampshire.....	300	6,932	23.11	-1.3	-2.4	-8.0	-5.8	50
Rhode Island.....	68	1,257	18.49	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	19
Vermont.....	149	3,198	21.46	-1.3	-1.3	-4.5	-2.1	39
Region II:								
New York.....	2,874	72,687	25.29	+1	+5	+5.2	+7.8	22
Region III:								
New Jersey.....	739	17,272	23.37	( <sup>7</sup> )	-1	+13.9	+16.1	17
Region IV:								
District of Columbia.....	224	5,951	26.57	-4	+4	+6.2	+9.7	36
Maryland.....	686	14,781	21.55	-6	-1	+1.6	+4.2	41
North Carolina.....	1,923	29,082	15.12	+3	+4	-2.2	-8	55
Virginia.....	1,031	12,936	12.55	+1	+4	+6.6	+6.1	38
West Virginia.....	838	14,840	17.71	+6	+1	+2.9	+15.7	45
Region V:								
Michigan.....	1,107	25,926	23.42	+3.7	+4.3	+49.8	+43.9	23
Ohio.....	4,019	79,181	19.70	( <sup>4</sup> )	( <sup>4</sup> )	+3.4	+5.2	60
Region VI:								
Indiana.....	2,404	49,229	20.48	-4	-3	-1.8	-3	69
Wisconsin.....	2,022	47,281	23.38	+2	+4	+5	+2.4	69
Region VII:								
Alabama.....	605	5,413	8.95	+7	+1.1	+9.4	+10.0	21
Florida.....	2,448	32,445	13.25	+9	+1.9	+13.1	+21.0	147
Georgia.....	1,318	13,852	10.51	+2.2	+2.9	+31.9	+38.3	43
Mississippi.....	939	7,788	8.29	+3.4	+3.7	+43.1	+61.3	46
South Carolina.....	764	8,113	10.62	-5	-9	-5.3	-3.9	41
Tennessee.....	1,648	18,288	11.10	+2	+4	+2.1	+2.8	57
Region VIII:								
Iowa.....	1,495	35,645	23.84	+3	+6	+3.7	+6.0	59
Minnesota.....	956	25,297	26.46	+1.3	+1.5	+8.6	+7.5	36
Nebraska.....	712	14,482	20.34	+7	+8	+8.4	+12.7	52
North Dakota.....	228	4,937	21.65	( <sup>7</sup> )	+2	+61.7	+68.0	32
South Dakota.....	256	4,426	17.29	-8	-7	+10.3	+17.9	37
Region IX:								
Arkansas.....	1,063	9,905	9.32	+2.9	+1.7	+65.8	+138.6	52
Kansas.....	1,387	29,180	21.04	+4	+1.5	+19.1	+24.5	74
Oklahoma.....	2,201	34,820	15.82	-9	-5	+1.8	+6.6	86
Region X:								
Louisiana.....	1,162	18,560	15.97	+1.3	+3.6	+15.5	+6.4	55
New Mexico.....	225	4,186	18.60	+4	+2.5	+5.1	+17.8	53
Region XI:								
Arizona.....	374	10,104	27.02	+3	( <sup>4</sup> )	+12.7	+18.9	91
Colorado.....	603	16,691	27.68	+2	+1	( <sup>4</sup> )	-4.5	56
Idaho.....	281	6,398	22.77	-4	+4	-2.4	+4.2	57
Montana.....	221	4,676	21.16	+3.3	+3.9	+30.8	+34.0	41
Utah.....	193	4,797	24.85	+1.0	+1.2	-8.1	-12.7	37
Wyoming.....	142	3,909	27.53	-7	-7	-7.2	-8.3	60
Region XII:								
California.....	7,321	352,028	48.08	-4	-3	+6.9	+6.8	119
Oregon.....	454	11,357	25.02	( <sup>7</sup> )	-1	-2	-1.4	44
Washington.....	1,039	32,129	30.92	-8	-7	+1.1	+3.0	63
Territory:								
Hawaii.....	67	1,033	15.42	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	17

<sup>1</sup> Data differ from those published for January-August 1940, because they exclude recipients of medical care, hospitalization, and/or burial only and total payments for such services to these recipients and to recipients also receiving money payments and/or assistance in kind. Allowances for medical care and hospitalization included in money payments are not excluded. They also differ from data published for months prior to 1940, which included recipients of medical care only and total payments for medical care.

<sup>2</sup> Represents obligations incurred for month from Federal, State, and local funds for money payments and assistance in kind; excludes cost of administration.

<sup>3</sup> Population as of July 1, 1937, estimated by the U. S. Bureau of the Census.

<sup>4</sup> Comparison for 42 States; excludes Colorado for which data are not comparable on both recipients and payments.

<sup>5</sup> Includes aid to the blind administered under State law without Federal participation.

<sup>6</sup> Not computed, because figures are too small for comparison.

<sup>7</sup> No change.

<sup>8</sup> Increase of less than 0.05 percent.

<sup>9</sup> Decrease of less than 0.05 percent.

<sup>10</sup> Not computed, because comparable data are not available.

# Statistics by States, November 1940

Beginning with figures for November 1940, State totals on public assistance and earnings under Federal work programs exclude earnings on regular Federal construction projects, in conformity with the monthly totals in tables 8 and 9.

Decreases occurred in Work Projects Adminis-

tration earnings in 42 States partly because of the smaller number of pay days in November. Earnings under other Federal agency projects financed from emergency funds declined in 36 States.

Total earnings under the Civilian Conservation Corps increased in 27 States. Earnings under

**Table 16.—Public assistance and Federal work programs: Amount of assistance and earnings in the continental United States, by State, November 1940<sup>1</sup>**

[In thousands]

State	Total	Assistance to recipients					Earnings of persons employed under Federal work programs						Earnings on regular Federal construction projects
		Special types of public assistance			General relief	Subsistence payments certified by the Farm Security Administration	Civilian Conservation Corps	National Youth Administration		Work Projects Administration	Other Federal agency projects financed from emergency funds		
		Old-age assistance	Aid to dependent children	Aid to the blind				Student work program	Out-of-school work program				
Total.....	\$209,045	\$41,306	\$11,708	\$1,847	\$28,915	\$831	\$18,725	\$3,053	\$5,450	\$93,312	\$3,898	\$60,010	
Alabama.....	2,893	186	80	5	22	14	695	68	128	1,651	44	2,352	
Arizona.....	954	235	81	10	48	32	166	15	16	349	2	153	
Arkansas.....	2,477	194	83	10	25	2	798	38	73	1,251	4	642	
California.....	15,380	5,673	723	353	2,112	91	513	191	234	5,401	89	5,002	
Colorado.....	3,113	1,237	186	17	189	20	176	39	53	1,066	130	484	
Connecticut.....	2,018	471	60	6	370	( <sup>2</sup> )	84	24	54	925	24	1,098	
Delaware.....	240	29	19	—	24	( <sup>2</sup> )	20	4	10	133	—	162	
District of Columbia.....	1,231	87	35	6	51	—	59	19	22	710	241	2,409	
Florida.....	2,681	465	93	32	63	3	334	31	68	1,529	63	2,253	
Georgia.....	3,132	306	94	13	41	16	665	72	137	1,799	9	1,117	
Idaho.....	873	202	86	6	32	24	67	17	29	407	3	91	
Illinois.....	16,306	3,092	166	223	3,659	10	900	164	403	6,605	1,083	1,561	
Indiana.....	5,333	1,214	492	49	1,614	3	345	82	119	2,350	65	1,265	
Iowa.....	3,153	1,162	762	35	412	3	182	64	130	1,093	10	176	
Kansas.....	2,587	552	191	29	248	30	254	65	87	1,130	2	325	
Kentucky.....	2,945	478	78	—	782	10	456	54	90	1,749	46	1,042	
Louisiana.....	2,815	420	357	—	154	10	475	64	76	1,241	( <sup>2</sup> )	2,118	
Maine.....	1,094	278	62	26	200	4	117	14	58	330	6	529	
Maryland.....	1,754	325	222	15	185	3	136	28	41	729	71	1,666	
Massachusetts.....	9,764	2,502	733	26	1,409	( <sup>2</sup> )	454	88	188	4,306	59	6,964	
Michigan.....	7,850	1,287	813	25	1,010	9	557	113	215	3,819	3	1,538	
Minnesota.....	5,204	1,329	312	25	786	16	461	73	93	2,100	9	183	
Mississippi.....	2,101	210	71	8	3	3	829	48	90	1,208	4	2,604	
Missouri.....	6,445	1,597	298	79	325	24	733	82	137	3,098	71	529	
Montana.....	1,088	225	69	5	68	64	119	21	20	488	10	276	
Nebraska.....	2,479	547	176	14	99	113	179	41	59	1,126	126	108	
Nevada.....	171	61	3	( <sup>2</sup> )	8	( <sup>2</sup> )	20	2	4	72	( <sup>2</sup> )	199	
New Hampshire.....	723	135	28	7	145	1	36	11	20	334	6	980	
New Jersey.....	6,164	656	351	17	1,936	1	359	64	168	3,533	143	4,251	
New Mexico.....	1,000	81	53	4	18	9	217	12	22	523	62	156	
New York.....	24,270	2,970	1,619	72	8,533	7	977	294	582	8,774	442	3,290	
North Carolina.....	3,096	372	159	29	34	32	512	84	147	1,724	4	1,104	
North Dakota.....	1,047	149	75	5	49	16	180	24	35	515	( <sup>2</sup> )	42	
Ohio.....	12,417	3,075	444	79	1,350	6	817	152	203	6,047	295	1,071	
Oklahoma.....	4,340	1,361	282	35	49	17	743	81	170	1,612	22	463	
Oregon.....	1,657	415	79	11	135	9	123	25	28	826	5	437	
Pennsylvania.....	18,462	2,188	1,621	399	3,970	8	1,260	197	410	8,232	181	4,351	
Rhode Island.....	1,164	139	58	1	161	( <sup>2</sup> )	68	14	35	663	26	1,420	
South Carolina.....	2,222	139	48	8	18	6	378	41	87	1,238	259	1,898	
South Dakota.....	1,254	289	33	4	59	116	167	27	31	523	5	88	
Tennessee.....	3,188	407	266	18	720	4	615	76	115	1,598	69	2,302	
Texas.....	6,834	1,628	1	—	91	28	1,182	152	303	3,412	37	3,706	
Utah.....	1,247	306	138	5	114	6	65	27	22	530	33	204	
Vermont.....	390	86	20	3	35	1	23	9	12	201	—	18	
Virginia.....	2,172	193	77	13	53	7	514	65	111	1,094	45	3,806	
Washington.....	3,111	901	157	32	222	21	213	47	65	1,383	68	2,060	
West Virginia.....	2,592	261	200	15	95	7	334	42	95	1,537	6	167	
Wisconsin.....	5,388	1,193	472	47	803	15	413	82	149	2,202	12	117	
Wyoming.....	340	82	23	4	17	12	35	6	9	147	5	167	

<sup>1</sup> See footnotes to table 8.

<sup>2</sup> Includes less than \$500 not distributed by State.

<sup>3</sup> Partly estimated; does not represent total of State figures, because total payments for medical care, hospitalization, and burial are excluded.

<sup>4</sup> Includes total payments for medical care.

<sup>5</sup> Less than \$500.

<sup>6</sup> Includes total payments for medical care, hospitalization, and burial.

<sup>7</sup> Estimated.

<sup>8</sup> State unemployment relief program only. In addition, \$55,000 estimated as expended by local relief officials.

the student work program of the National Youth Administration increased from October in all States, and under the out-of-school work program in 46 States.

Small increases in obligations incurred for old-

age assistance were reported by 42 States, for aid to dependent children by 36 States, and for aid to the blind by 30 States. General relief increased from October in 27 States, and subsistence payments by the Farm Security Administration in 28 States.

Table 17.—Public assistance and Federal work programs: Recipients of assistance and persons employed in the continental United States, by State, November 1940 <sup>1</sup>

State	Recipients of assistance						Persons employed under Federal work programs						Persons employed on regular Federal construction projects
	Special types of public assistance				Cases receiving general relief	Cases for which subsistence payments were certified by the Farm Security Administration	National Youth Administration		Work Projects Administration	Other Federal agency projects financed from emergency funds			
	Old-age assistance	Aid to dependent children		Aid to the blind			Civilian Conservation Corps	Student work program			Out-of-school work program		
		Families	Children										
Total.....	2,051,059	363,276	872,746	72,891	<sup>1</sup> 1,213,823	35,963	282,635	437,518	261,998	1,770,641	<sup>2</sup> 29,089	612,387	
Alabama.....	20,033	5,833	16,926	601	2,437	540	10,487	12,115	7,020	38,661	454	18,025	
Arizona.....	8,400	2,494	7,095	373	3,234	<sup>4</sup> 2,266	2,505	1,898	828	5,998	22	1,320	
Arkansas.....	24,433	5,945	15,099	1,033	4,340	69	12,050	6,978	4,310	30,455	36	7,423	
California.....	149,739	15,529	37,493	7,351	79,385	<sup>4</sup> 4,137	7,739	21,280	11,560	82,310	677	34,522	
Colorado.....	41,679	6,145	15,008	602	<sup>1</sup> 14,163	998	2,660	4,849	2,628	17,466	889	3,921	
Connecticut.....	17,353	1,373	3,123	214	13,440	2	1,272	2,947	2,428	15,472	205	8,097	
Delaware.....	2,568	566	1,558	.....	1,022	5	305	560	607	2,692	.....	1,524	
District of Columbia.....	3,434	928	2,763	225	2,033	.....	895	1,597	1,203	10,765	1,599	13,582	
Florida.....	37,467	4,322	10,817	2,425	9,427	59	5,039	4,070	3,519	32,129	616	24,786	
Georgia.....	37,558	4,417	11,230	1,289	6,295	309	10,033	11,553	6,241	40,430	133	13,500	
Idaho.....	9,061	2,933	7,310	282	2,116	727	1,013	2,343	980	7,252	24	885	
Illinois.....	141,216	7,395	16,547	7,512	155,158	459	13,591	23,849	16,020	120,218	6,069	10,674	
Indiana.....	67,148	17,351	35,608	2,413	<sup>4</sup> 41,913	141	5,213	11,782	6,121	45,026	558	8,683	
Iowa.....	56,140	<sup>3</sup> 3,000	<sup>7</sup> 7,000	1,490	25,185	110	2,746	8,199	7,700	21,911	95	2,426	
Kansas.....	27,915	6,429	15,049	1,382	16,402	1,692	3,838	9,621	4,190	23,818	16	17,869	
Kentucky.....	53,689	<sup>2</sup> 290	<sup>9</sup> 995	.....	<sup>6</sup> 6,500	114	6,889	9,252	4,223	40,466	452	9,035	
Louisiana.....	33,656	14,195	39,156	1,147	10,272	329	7,177	9,035	3,357	27,498	7	46,698	
Maine.....	13,335	1,581	4,025	1,156	9,100	129	1,763	1,946	1,816	6,502	50	5,110	
Maryland.....	18,330	7,062	18,959	690	8,399	108	2,052	3,553	2,258	13,401	785	14,709	
Massachusetts.....	86,743	12,536	31,982	1,129	52,530	10	6,848	11,439	9,336	77,243	462	49,130	
Michigan.....	77,005	20,015	48,312	1,068	46,675	243	8,403	15,767	9,546	67,134	60	13,883	
Minnesota.....	62,904	9,062	21,555	944	33,607	738	6,953	10,494	4,204	38,260	79	2,232	
Mississippi.....	24,491	<sup>1</sup> 104	<sup>1</sup> 162	908	914	2,117	7,979	8,191	4,570	29,484	59	33,571	
Missouri.....	106,746	12,350	29,413	3,232	24,078	1,299	11,060	12,391	7,296	61,613	614	5,864	
Montana.....	12,186	2,424	5,907	214	4,334	2,523	1,799	2,876	885	8,978	106	2,135	
Nebraska.....	28,393	5,594	12,413	707	8,958	4,070	2,708	6,008	3,285	21,843	1,266	2,020	
Nevada.....	2,305	112	268	14	552	8	306	284	218	1,607	3	1,480	
New Hampshire.....	6,377	631	1,584	304	6,351	32	540	1,306	837	6,820	80	7,247	
New Jersey.....	31,359	11,271	25,370	739	<sup>3</sup> 39,241	29	5,412	9,492	8,010	60,450	949	27,317	
New Mexico.....	4,866	2,038	5,829	224	<sup>2</sup> 2,026	498	3,270	1,812	1,098	9,586	406	1,614	
New York.....	120,249	34,802	68,417	2,872	<sup>7</sup> 229,676	232	14,751	41,091	25,392	140,662	3,147	25,338	
North Carolina.....	36,847	9,548	23,436	1,918	4,864	397	7,721	10,847	7,690	42,327	22	13,683	
North Dakota.....	8,908	2,407	6,666	228	3,605	737	2,713	4,028	1,552	10,773	2	514	
Ohio.....	131,829	11,169	30,419	4,018	75,282	247	12,326	20,872	9,457	102,923	2,064	9,421	
Oklahoma.....	74,641	19,251	44,019	2,220	<sup>11</sup> 11,641	509	11,209	13,224	7,807	39,678	216	7,207	
Oregon.....	19,404	1,969	4,618	454	8,570	255	1,857	3,635	1,291	12,290	49	3,172	
Pennsylvania.....	99,914	44,947	106,826	13,363	151,332	275	19,021	29,331	21,197	149,127	1,662	30,903	
Rhode Island.....	6,968	1,263	3,572	68	<sup>5</sup> 5,168	3	1,021	1,848	2,181	11,686	225	9,062	
South Carolina.....	17,593	2,934	8,760	768	2,170	195	5,709	6,045	4,894	30,953	2,257	17,941	
South Dakota.....	14,951	1,844	4,063	258	4,270	6,414	2,514	5,102	1,454	10,942	39	1,184	
Tennessee.....	40,283	14,378	36,311	1,644	<sup>3</sup> 3,000	67	9,290	13,629	6,565	36,630	850	18,304	
Texas.....	119,612	86	<sup>2</sup> 230	.....	10,220	798	17,844	20,369	14,660	83,612	444	33,580	
Utah.....	13,585	3,707	9,523	191	5,280	189	984	3,645	937	9,033	235	1,904	
Vermont.....	5,271	620	1,753	151	1,993	15	345	1,192	552	4,024	.....	384	
Virginia.....	19,400	3,778	11,376	1,030	5,649	95	7,760	8,100	5,770	24,649	427	31,064	
Washington.....	39,977	4,919	11,698	1,047	14,912	614	3,222	6,001	3,216	22,691	491	14,918	
West Virginia.....	18,579	8,489	23,159	833	11,121	92	5,041	7,418	3,532	29,225	90	1,846	
Wisconsin.....	53,019	12,519	28,424	2,017	39,086	606	6,241	12,292	7,032	41,192	86	1,111	
Wyoming.....	3,440	721	1,820	143	1,125	482	521	762	495	2,736	41	1,560	

<sup>1</sup> See footnotes to table 9.

<sup>2</sup> Partly estimated; does not represent total of State figures, because data are estimated to exclude all cases receiving medical care, hospitalization, and/or burial only.

<sup>3</sup> Includes 1 person not distributed by State.

<sup>4</sup> Estimated.

<sup>5</sup> Includes an unknown number of cases receiving medical care only.

<sup>6</sup> Includes an unknown number of cases receiving medical care, hospitalization, and/or burial only.

<sup>7</sup> Includes cases receiving medical care only; number believed by State agency to be insignificant.

<sup>8</sup> Includes 5,328 cases aided under program administered by State board of public welfare, and 6,313 cases aided by county commissioners; amount of duplication in cases aided believed to be large.

<sup>9</sup> State unemployment relief program only. In addition, 2,800 cases estimated to have been aided by local relief officials.

## Statistics for Urban Areas

### Public and Private Aid in 116 Urban Areas November 1940

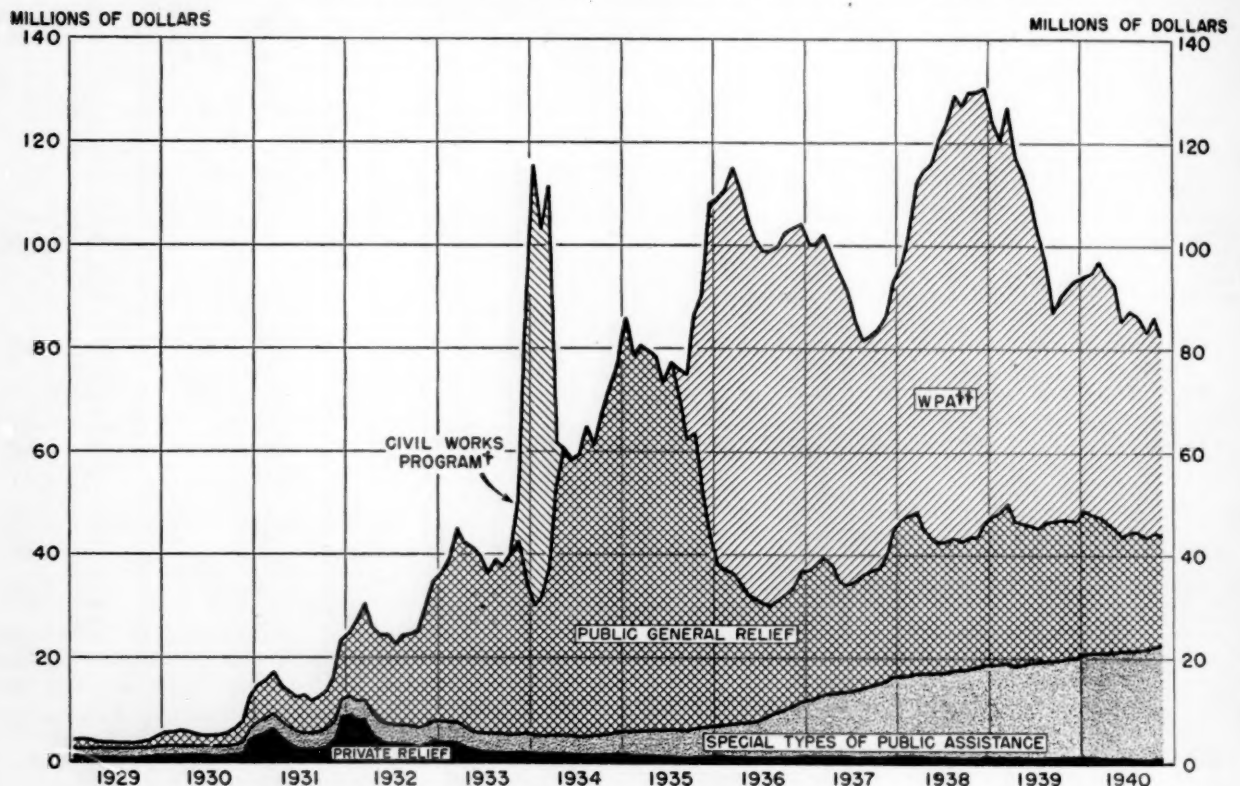
In November, expenditures in 116 urban areas in the United States for payments to recipients of the special types of public assistance, public general relief, and private assistance, and for earnings of persons employed on projects operated by the Work Projects Administration totaled \$82.6 million, or 4.0 percent less than in the preceding month (table 18). These expenditures exclude all costs of administering the various programs and of materials, supplies, and equipment incident to the operation of work projects. Data are not available for the urban areas on earnings of persons employed on Federal agency projects financed by transfer of WPA funds and other Federal work and construction projects, earnings

of persons enrolled in the Civilian Conservation Corps, or earnings under the work programs of the National Youth Administration.

Of the total amount spent for public and private assistance and WPA earnings in November, earnings on WPA projects comprised the largest share—46.8 percent. Total obligations incurred for old-age assistance, aid to dependent children, and aid to the blind accounted for 26.3 percent of the total, and expenditures for general relief from public funds represented a slightly smaller share—25.9 percent. Private assistance comprised only 1.0 percent of total payments.

The decline in total assistance and WPA earnings from October to November is attributable almost entirely to reductions in the amounts spent for WPA earnings and public general relief. Aggregate earnings of persons employed on WPA-

**Chart 4.—Public and private assistance and earnings of persons employed on projects operated by the Work Projects Administration and under the Civil Works Program in 116 urban areas, January 1929–November 1940**



†Earnings of all persons employed under the Civil Works Program, including administrative staff.

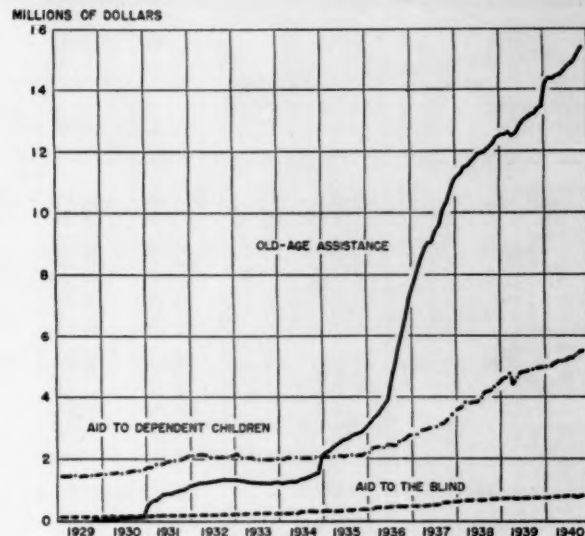
††Earnings on projects operated by the WPA within the areas.

operated projects decreased 7.5 percent to \$38.7 million; this decline reflects in part the smaller number of pay days in November. Expenditures for public general relief amounted to \$21.4 million—2.6 percent less than in October. The total amount of obligations incurred for the special types of public assistance rose 1.1 percent to \$21.8 million. Total payments for old-age assistance and aid to dependent children were each 1.1 percent higher than in the previous month, while expenditures for aid to the blind were 0.1 percent lower. The total sum spent for assistance from private funds increased 4.5 percent.

The smaller aggregate expenditure in November in all areas combined reflects reductions in total payments in 81 of the 116 urban areas (table 19). In 27 of these 81 areas the decreases amounted to 10 percent or more. Of the 35 areas with larger expenditures in November, there were 8 for which the upward changes were more than 10 percent.

In November 1940 total payments for public and private assistance and WPA earnings in the 116 urban areas amounted to 10.0 percent less than in November 1939. The principal factors contributing to this decline were substantial reductions in expenditures for public general relief and WPA earnings. Payments from public funds for general relief were 19.7 percent below the total of such payments in November 1939, and earnings of persons employed on projects

Chart 5.—Payments to recipients of the special types of public assistance in 116 urban areas, January 1929–November 1940



operated by the WPA were smaller by 14.3 percent. Assistance payments from private funds were also lower, totaling 7.3 percent less than in the same month of 1939. On the other hand, total obligations incurred for the special types of public assistance were 13.5 percent greater in November 1940. The largest expansion—14.9 percent—occurred in total payments for old-age assistance. For aid to dependent chil-

Table 18.—Amount of public and private assistance and earnings of persons employed on projects operated by the Work Projects Administration in 116 urban areas, November 1940

[Corrected to Jan. 21, 1941]

Type of funds	Amount <sup>1</sup>	Percentage change from—		Percentage distribution		
		October 1940	November 1939	November 1940	October 1940	November 1939
Total.....	\$82,625,573	-4.0	-10.0	100.0	100.0	100.0
Public.....	81,701,302	-4.1	-10.0	99.0	99.1	99.0
General relief <sup>2</sup> .....	<sup>3</sup> 21,359,124	-2.6	-19.7	25.9	25.5	29.0
Special types of public assistance <sup>4</sup> .....	21,757,039	+1.1	+13.5	26.3	25.0	20.9
Old-age assistance.....	15,429,982	+1.1	+14.9	18.7	17.7	14.6
Aid to dependent children <sup>5</sup> .....	5,540,703	+1.1	+11.0	6.7	6.4	5.5
Aid to the blind <sup>6</sup> .....	786,354	-.1	+5.8	.9	.9	.8
WPA earnings <sup>7</sup> .....	38,675,139	-7.5	-14.3	46.8	48.6	49.1
Private <sup>8</sup> .....	<sup>7</sup> 834,571	<sup>8</sup> +4.5	<sup>8</sup> -7.3	1.0	.9	1.0

<sup>1</sup> Excludes cost of administration, of materials, equipment, and other items incident to operation of work programs, and of transient care. Data for assistance programs differ from those for months prior to January 1940, because they include obligations incurred for burials, in addition to obligations incurred for money payments, assistance in kind, medical care, and hospitalization.

<sup>2</sup> Includes direct and work relief and statutory aid to veterans administered on basis of need.

<sup>3</sup> Includes \$6,080 administered by private agencies.

<sup>4</sup> Includes figures for areas in States with plans approved by the Social Security Board and for areas in States not participating under the Social Security Act.

<sup>5</sup> Figures from the WPA, Division of Statistics; represent earnings of persons employed on projects operated by the WPA within these areas and cover all pay-roll periods ended during month. Figures are not available for these areas for earnings of persons employed on projects other than those operated by the WPA.

<sup>6</sup> Includes direct and work relief and aid to veterans.

<sup>7</sup> Includes \$1,767 administered by public agencies. Includes estimate of \$122,244 of which \$118,198 represents expenditures of agencies for which monthly reports are not available.

<sup>8</sup> Based on data from agencies reporting monthly.

**Table 19.—Amount of public and private assistance and earnings of persons employed on projects operated by the Work Projects Administration, by urban area, November 1940**

[Corrected to Jan. 21, 1941]

State and urban area	Area included	Total <sup>1</sup>	Public funds						Private funds <sup>2</sup>	Percentage change in total from—	
			Total	General relief <sup>3</sup>	Old-age assistance	Aid to dependent children <sup>4</sup>	Aid to the blind <sup>5</sup>	WPA earnings <sup>6</sup>		October 1940	November 1939
Alabama:											
Birmingham	County	\$384,682	\$384,095	\$7,665	\$22,482	\$22,553	\$845	\$330,550	\$587	-14.1	-28.9
Mobile	do.	146,098	145,765	867	7,329	1,995	137	135,437	333	+4.3	+32.2
California:											
Los Angeles	do.	5,611,693	5,587,864	1,117,171	2,311,117	248,690	168,045	1,742,841	23,829	-2.8	-1.3
Oakland	do.	1,044,124	1,041,563	113,213	323,992	51,085	24,729	528,544	2,561	-10.8	-16.4
Sacramento	do.	317,977	316,309	22,173	137,091	21,331	7,492	128,222	1,668	+17.3	+12.7
San Diego	do.	615,958	614,893	69,495	296,695	33,443	13,499	201,761	1,065	-3.6	-4.2
San Francisco	do.	1,385,685	1,363,184	222,096	432,502	57,838	26,737	624,011	22,501	-1.9	-15.5
Colorado: Denver	do.	782,406	779,128	77,406	342,928	62,622	4,649	291,523	3,278	+14.1	+4.7
Connecticut:											
Bridgeport	City	166,140	163,959	* 33,643	35,843	6,049	688	87,736	2,181	-1.1	-12.6
Hartford	do.	244,518	233,546	* 87,561	56,924	7,424	957	80,680	10,972	+7	+3.8
New Britain	do.	62,494	62,267	* 7,336	13,063	2,243	111	39,514	227	-24.4	-26.4
New Haven	do.	252,200	248,772	* 59,912	55,091	6,800	1,087	125,882	3,428	+2.5	-15.3
Delaware: Wilmington	County	158,164	155,534	22,302	18,396	11,823		103,013	2,630	-14.1	+3.4
District of Columbia: Washington	City	771,403	754,066	51,314	87,894	35,172	5,928	573,758	* 17,337	-4.0	+17.0
Florida:											
Jacksonville	County	243,372	242,478	6,143	47,780	9,294	3,143	176,118	894	+4.8	-26.3
Miami	do.	145,715	137,758	6,639	37,475	11,738	2,294	79,612	* 7,957	-7.3	-7.0
Georgia: Atlanta	do.	538,923	532,255	22,401	30,477	18,663	2,081	458,633	6,668	+40.4	+6.0
Illinois:											
Chicago	do.	7,069,836	6,984,474	2,577,186	1,244,852	76,731	71,010	3,014,695	85,362	-2.3	-13.6
Springfield	do.	255,953	253,070	54,411	55,178	2,225	4,660	136,596	2,883	+2.1	-5.3
Indiana:											
Evansville	do.	260,341	259,553	58,716	42,999	23,662	1,543	132,633	788	-4	-27.0
Fort Wayne	do.	190,020	187,962	26,484	45,530	20,850	1,441	93,657	2,058	-23.3	-12.1
Indianapolis	do.	600,673	594,004	92,589	137,989	70,641	6,793	285,992	6,669	+1.1	-29.4
South Bend	do.	260,714	260,097	37,961	41,570	20,920	1,088	158,558	617	+21.8	-9
Terre Haute	do.	266,737	265,563	24,909	59,068	23,577	2,241	155,768	* 1,174	-3	-10.9
Iowa:											
Des Moines	do.	459,240	458,262	78,896	97,872	3,823	5,616	272,055	978	-22.6	-8.3
Sioux City	do.	183,896	183,229	58,653	47,782	3,954	1,827	71,013	667	-18.7	-4.2
Kansas:											
Kansas City	do.	227,569	227,058	29,004	36,101	16,756	2,064	143,133	511	-1.9	-13.3
Topeka	do.	118,291	117,070	11,733	20,515	8,071	1,225	75,526	1,221	+3.1	-2.0
Wichita	do.	212,034	211,329	68,586	46,225	19,431	2,229	74,858	705	-1.4	+3.6
Kentucky: Louisville	do.	284,355	278,450	26,402	41,072	14,278		196,698	5,905	-3.8	+7.9
Louisiana:											
New Orleans	Parish	849,423	839,765	47,648	76,552	113,786	6,182	595,597	* 9,658	-10.2	-17.6
Shreveport	do.	72,354	72,114	10,345	19,722	18,316	843	22,888	240	-4.5	+50.7
Maine: Portland	City	96,784	95,911	* 13,381	19,183	4,555	1,243	57,549	873	-4	-5
Maryland: Baltimore	do.	697,497	683,807	161,260	164,385	129,756	9,537	218,869	13,690	-9.7	-5.8
Massachusetts:											
Boston	do.	2,342,986	2,267,513	411,373	469,827	265,659	8,075	1,112,579	75,473	+1.1	-9
Brockton	do.	196,336	193,518	38,723	60,943	8,239	398	85,215	2,818	-2	+3
Cambridge	do.	270,655	267,828	* 92,047	49,897	26,105	862	98,917	2,827	+7.8	+7.3
Fall River	do.	251,216	251,060	65,695	60,541	12,914	788	111,122	156	-2.3	-3
Lawrence	do.	164,025	163,520	31,796	47,313	6,464	595	77,352	505	+1.1	+8.4
Lowell	do.	273,055	271,332	60,966	71,913	15,889	816	121,748	1,723	+1.8	-8.8
Lynn	do.	265,072	261,141	53,538	80,339	12,315	769	114,180	3,931	-14.9	+3.5
Malden	do.	124,030	123,473	31,945	33,782	7,180	284	50,282	557	-1.5	+4.9
New Bedford	do.	245,728	244,709	37,388	82,324	13,120	1,050	110,827	1,019	-3.3	-7.3
Newton	do.	78,782	77,264	21,142	20,621	9,215	152	26,134	1,518	-7	-6.4
Springfield	do.	304,059	301,883	73,683	88,328	23,928	923	115,021	2,176	-16.5	-19.3
Worcester	do.	394,194	390,818	101,952	102,737	30,105	692	155,332	3,376	-18.0	-23.6
Michigan:											
Detroit	County	3,051,796	3,035,501	718,810	249,760	368,216	5,299	1,693,416	* 16,295	-7.9	-19.8
Flint	do.	301,950	301,577	41,210	53,369	29,121	676	177,201	373	+3.0	-2.0
Grand Rapids	do.	390,733	390,212	49,558	104,597	31,024	1,866	203,167	* 521	-14.8	-16.5
Pontiac	do.	205,389	205,240	* 27,747	51,130	27,395	1,136	97,832	149	+2.8	-19.1
Saginaw	do.	139,650	139,137	18,885	28,545	19,235	869	71,603	513	-4.2	-23.3
Minnesota:											
Duluth	do.	610,873	606,633	150,821	99,875	37,044	2,777	316,116	4,240	+13.7	-17.4
Minneapolis	do.	1,182,475	1,174,007	302,915	287,132	55,747	5,791	522,422	8,468	-7.1	-13.2
St. Paul	do.	615,186	610,819	212,168	110,779	28,502	3,326	256,044	4,367	+3.3	-13.0
Missouri:											
Kansas City	do.	640,208	630,987	97,780	176,635	22,498	9,257	324,817	* 9,221	-3.8	-29.6
St. Louis	City and county	1,274,040	1,252,826	130,307	239,352	68,344	15,102	799,721	21,214	-9.3	-8.4
Nebraska: Omaha	County	448,375	439,639	18,284	91,410	41,465	2,622	285,858	8,736	-10.6	-2.0
New Jersey:											
Jersey City	City	240,906	240,447	92,372	27,710	26,880	1,183	92,302	* 459	+9	-40.0
Newark	do.	849,304	846,634	327,914	67,537	66,683	2,606	381,894	2,670	-8.0	-21.3
Trenton	do.	154,147	151,770	26,268	18,226	14,247	798	92,231	2,377	+8	-18.4

See footnotes at end of table.

Table 19.—Amount of public and private assistance and earnings of persons employed on projects operated by the Work Projects Administration, by urban area, November 1940—Continued

[Corrected to Jan. 21, 1941]

State and urban area	Area included	Total <sup>1</sup>	Public funds						Private funds <sup>2</sup>	Percentage change in total from—	
			Total	General relief <sup>3</sup>	Old-age assistance	Aid to dependent children <sup>4</sup>	Aid to the blind <sup>5</sup>	WPA earnings <sup>6</sup>		October 1940	November 1939
New York:											
Albany	City	\$102,356	\$100,648	\$33,405	\$18,470	\$5,613	\$758	\$42,402	\$1,708	-3.3	-16.4
Buffalo	County	1,143,276	1,130,832	597,524	122,437	60,015	3,588	347,298	12,444	-9.2	-19.1
New Rochelle	City	76,485	75,830	45,427	13,311	8,082	0	9,010	655	-4.9	-24.9
New York	do	15,564,673	15,370,188	6,157,851	1,576,305	1,115,984	43,977	6,476,071	* 194,485	-5.2	-5.2
Niagara Falls	do	80,692	79,406	41,831	9,779	8,290	162	19,344	1,286	+6.4	-16.1
Rochester	do	651,455	647,776	330,943	129,201	43,379	2,362	141,891	3,079	-7	-10.8
Syracuse	County	431,400	427,463	194,964	83,003	21,446	1,416	126,634	3,937	+3.1	-16.0
Utica	City	142,412	139,653	52,695	31,846	12,536	425	42,151	2,759	-10.8	-24.6
Yonkers	do	204,472	202,843	79,504	20,644	19,090	517	83,088	1,629	-6.9	-21.3
North Carolina:											
Asheville	County	122,896	122,896	2,026	14,720	7,261	887	98,002	-----	-24.7	-2.1
Charlotte	do	93,496	93,016	4,547	17,678	7,939	1,376	61,476	480	-5.2	+1.2
Greensboro	do	106,653	106,617	2,301	17,675	8,742	1,309	76,590	36	+18.7	+29.3
Winston-Salem	do	108,388	107,618	8,388	15,129	7,529	946	75,626	770	-4.1	-10.5
Ohio:											
Akron	do	696,221	693,680	101,239	90,674	14,713	1,927	485,127	2,541	+4.8	-21.3
Canton	do	293,440	293,227	27,083	97,519	13,688	1,980	152,957	213	-6	-19.0
Cincinnati	do	980,569	967,582	228,097	217,019	42,127	5,052	475,287	12,987	-2.9	-3.3
Cleveland	do	2,351,354	2,309,349	570,836	255,550	106,435	9,011	1,367,517	42,005	-2.9	-17.0
Columbus	do	706,991	704,813	96,876	191,544	21,941	6,614	387,838	2,178	+1	-12.3
Dayton	do	456,112	454,541	64,024	139,271	13,652	2,545	235,049	1,571	-1.0	-16.9
Springfield	do	129,128	128,490	7,231	54,057	4,906	1,312	60,984	638	-2	-12.9
Toledo	do	706,686	706,202	86,124	147,276	17,464	4,611	450,727	* 484	+2	-13.8
Youngstown	do	329,876	329,388	44,326	55,543	15,676	3,513	210,330	488	+13.8	-9.0
Oklahoma: Tulsa	do	216,716	211,273	* 4,897	89,996	21,240	2,954	92,186	5,443	+7.2	+6
Oregon: Portland	do	614,057	612,196	* 84,816	162,055	24,505	4,841	335,979	1,861	-1.0	+1.6
Pennsylvania:											
Allentown	do	154,460	153,574	17,408	24,239	12,167	6,168	93,592	886	-30.8	-32.6
Altoona	do	265,548	265,454	30,300	33,127	27,333	7,099	167,595	94	-2.5	-5.0
Bethlehem	do	182,386	181,826	18,432	25,678	12,920	5,495	119,301	560	-28.7	-32.4
Chester	do	191,083	189,373	19,835	32,677	21,283	8,273	107,305	1,710	-26.8	-36.8
Erie	do	258,642	258,562	37,501	51,636	27,454	8,596	133,375	80	-4.3	-16.6
Johnstown	do	306,440	306,096	47,065	37,162	35,258	7,811	178,800	344	-5.1	-16.9
Philadelphia	do	3,714,675	3,671,771	1,408,853	520,746	516,513	75,490	1,150,169	* 42,904	-3.7	-7.9
Pittsburgh	do	2,632,646	2,614,045	761,961	296,633	233,682	39,528	1,282,241	18,601	-3.5	-10.4
Reading	do	320,753	319,708	47,310	44,982	18,596	9,842	199,038	* 985	-0.1	-6.0
Scranton	do	815,918	812,797	313,802	73,077	65,302	12,024	348,592	* 3,121	-18.7	-16.8
Wilkes-Barre	do	1,010,211	1,008,608	341,475	85,644	86,840	16,144	478,505	1,603	-2.6	-7.6
Rhode Island: Providence	City	448,214	442,176	115,536	63,783	21,632	726	240,409	6,038	-9.7	-9.0
South Carolina: Charleston	County	184,003	183,576	2,580	8,420	4,242	686	167,648	* 427	-4.4	+21.5
Tennessee:											
Knoxville	do	162,985	162,985	1,955	18,031	21,041	785	121,173	-----	+6.6	+7.1
Memphis	do	246,968	242,229	1,066	51,077	25,476	3,194	161,416	4,739	-9.8	-29.1
Nashville	do	219,229	217,809	1,519	41,813	27,651	2,556	144,270	1,420	+3.7	-4.3
Texas:											
Dallas	do	288,932	285,218	15,271	107,532	686	-----	161,729	3,714	-2.4	+12.4
El Paso	do	63,159	62,861	230	11,221	-----	-----	51,410	298	-22.3	-12.2
Forth Worth	do	384,971	384,601	9,920	73,628	-----	-----	301,053	* 370	+62.0	+41.7
Houston	do	297,199	294,162	21,855	84,681	-----	-----	187,626	3,037	+1.1	+6.6
San Antonio	do	280,012	275,943	-----	81,440	-----	-----	194,503	4,069	-4.7	-8.9
Utah: Salt Lake City	do	387,340	385,233	63,692	110,237	53,690	1,529	156,085	* 2,107	-13.3	-7.2
Virginia:											
Norfolk	City	92,334	91,286	2,461	10,428	5,519	875	72,003	1,048	-26.0	+17.3
Richmond	do	187,444	181,938	13,537	15,508	9,039	1,103	142,751	5,506	+5.4	+19.9
Roanoke	do	31,953	31,953	1,644	5,102	3,201	467	21,539	-----	+1.0	+38.9
Washington:											
Seattle	County	683,656	677,803	104,243	247,900	38,914	8,579	278,167	* 5,853	-1.1	-9.0
Tacoma	do	292,051	292,051	24,917	101,140	17,561	2,612	145,821	-----	-5.7	-23.9
West Virginia: Huntington	do	128,904	128,322	5,499	12,318	6,403	911	103,191	582	-27.7	-9.7
Wisconsin:											
Kenosha	do	134,188	134,141	26,246	29,983	17,010	1,334	59,568	47	-5.7	-21.8
Madison	do	230,545	230,226	39,170	52,237	27,698	1,195	109,926	319	-17.3	-5.4
Milwaukee	do	1,588,616	1,577,361	430,594	247,149	113,253	9,555	776,810	11,255	-2.9	-16.5
Racine	do	138,165	137,385	25,504	31,755	20,457	1,018	58,651	780	-1.4	-22.3

<sup>1</sup> Excludes cost of administration, of materials, equipment, and other items incident to operation of work programs, and of transient care. Data for assistance programs differ from those for months prior to January 1940, because they include obligations incurred for burials, in addition to obligations incurred for money payments, assistance in kind, medical care, and hospitalization.

<sup>2</sup> Includes direct and work relief and statutory aid to veterans administered on basis of need.

<sup>3</sup> Includes figures for areas in States with plans approved by the Social Security Board and for areas in States not participating under the Social Security Act.

<sup>4</sup> Figures from the WPA, Division of Statistics; represent earnings of persons employed on projects operated by the WPA within these areas and cover all pay-roll periods ended during month. Figures are not available for these areas for earnings of persons employed on projects other than those operated by the WPA.

<sup>5</sup> Includes direct and work relief and aid to veterans.

<sup>6</sup> Includes estimate.

<sup>7</sup> Includes Fulton and De Kalb Counties.

<sup>8</sup> Estimated.

<sup>9</sup> Incomplete, since figures are not obtainable for 1 relief program.

dren, monthly expenditures were 11.0 percent greater, and for aid to the blind 5.8 percent larger.

### General Relief Operations of Public Agencies in Selected Large Cities, December 1940

December is the fifth successive month in which the combined relief case loads of public agencies in 19 selected large cities in the United States showed a decline. The decrease of 1.3 percent in December, however, was less than in any month since September. Fewer cities reported reductions in their relief loads than in the preceding month. The number of cases added to the rolls was greater than in November in a majority of the cities; in many of these cities there was also a reduction in the number of closings.

The total volume of relief expenditures for all the cities advanced slightly—0.3 percent—from November to December. Only two cities—Detroit and Cleveland—showed conspicuously large gains, 18 and 26 percent, respectively.

### Effect of regular employment on case load.—

There was no indication that the rise in employment resulting from an expanding national defense program affected favorably the aggregate relief load of these large urban communities in December. Ten of the 17 cities furnishing information on the effect of regular employment showed more cases opened as a result of loss of such employment than were closed because such employment was obtained. In Milwaukee the number of cases closed through jobs secured in industry was described as "disappointingly low," particularly in the face of markedly increased employment in that city. The December monthly report of the Milwaukee Department of Public Assistance concludes that "The disparity between the experience of the Department of Public Assistance and employment generally serves to emphasize that jobs are going first to the many unemployed persons who are not on relief or who are on the WPA program."

*Effect of WPA employment on case load.*—WPA employment continued to be the most important single factor in the reduction of the aggregate relief load of the 19 cities. Although the number

Table 20.—Number of cases receiving general relief, amount of relief, and average amount per family and one-person case, by selected city, December 1940<sup>1</sup>

City	Number of cases receiving relief	Amount of relief <sup>2</sup>	Average amount		Percentage change from November in—	
			Per family case	Per one-person case	Number of cases	Amount of relief
Baltimore.....	6,454	\$162,401	( <sup>3</sup> )	( <sup>3</sup> )	-0.5	+4.2
Boston.....	13,214	353,583	\$30.90	\$20.00	-3.8	+3.8
Buffalo <sup>4</sup> .....	<sup>5</sup> 14,988	587,867	<sup>6</sup> 49.18	<sup>6</sup> 21.13	( <sup>7</sup> )	-6
Chicago.....	<sup>8</sup> 83,587	<sup>8</sup> 2,341,525	( <sup>3</sup> )	( <sup>3</sup> )	-2.7	-3.2
Cincinnati <sup>4</sup> .....	7,207	183,152	28.74	17.60	+1.2	+3.7
Cleveland.....	17,418	542,828	40.19	19.25	+2.2	+26.0
Detroit.....	17,062	568,088	( <sup>3</sup> )	( <sup>3</sup> )	+2.0	+17.5
District of Columbia <sup>4</sup> .....	2,038	51,035	30.88	19.39	+2	+4
Los Angeles <sup>4</sup> .....	37,194	1,167,985	40.88	16.93	-2.8	+4.8
Milwaukee <sup>4</sup> .....	17,440	459,544	33.54	11.87	-1.4	+6.3
Minneapolis.....	11,066	278,052	30.55	17.90	+1.0	+2.7
Newark.....	10,204	294,750	35.13	19.93	-4.1	-4.0
New Orleans <sup>10</sup> .....	2,419	49,511	27.38	17.27	+5.6	+4.0
New York.....	<sup>9</sup> 148,870	6,030,012	<sup>9</sup> 46.93	<sup>9</sup> 29.51	-1.0	-4
Philadelphia.....	<sup>11</sup> 48,042	1,283,194	( <sup>3</sup> )	( <sup>3</sup> )	-2.6	-7.1
Pittsburgh <sup>4</sup> .....	<sup>11</sup> 28,502	693,337	( <sup>3</sup> )	( <sup>3</sup> )	-6	-6.7
Rochester.....	<sup>9</sup> 7,536	300,903	<sup>9</sup> 46.47	<sup>9</sup> 20.08	+2.2	+2.4
St. Louis.....	<sup>12</sup> 6,579	<sup>12</sup> 122,736	21.22	11.48	+7.7	( <sup>7</sup> )
San Francisco.....	8,072	206,918	39.83	19.03	-4.5	-2.3

<sup>1</sup> Data differ from those published for January-August 1940, because they exclude cases receiving medical care, hospitalization, and/or burial only and total payments for such services to these cases and to cases also receiving money payments and/or assistance in kind. They also differ from data published for months prior to 1940, which included cases receiving medical care only and total payments for medical care.

<sup>2</sup> Excludes cost of administration, of medical care, hospitalization, and burial, of materials, equipment, and other items incident to operation of work-relief programs, and of special programs.

<sup>3</sup> Not available.

<sup>4</sup> Figures relate to entire county in which city is located.

<sup>5</sup> Includes cases receiving medical care only, in number believed by State agency to be insignificant.

<sup>6</sup> Based on data which are estimated to exclude obligations incurred for medical care, but not cases receiving medical care only; see footnote 5.

<sup>7</sup> Decrease of less than 0.1 percent.

<sup>8</sup> Includes cases receiving aid from special departments.

<sup>9</sup> Accepts only unemployable cases.

<sup>10</sup> Figures relate to unemployable cases only.

<sup>11</sup> Includes duplications, since in some cases relief was granted more than once during month.

<sup>12</sup> Excludes 1,039 cases receiving shelter care amounting to \$6,924.

Table 21.—Reasons for opening general relief cases, by selected city, December 1940

City	Cases opened		Accession rate <sup>1</sup>	Percent opened for specified reason			
	Number	Percentage change from November		Loss of regular employment	Loss of WPA employment	Cessation of unemployment benefits	All other reasons
Baltimore.....	649	+1.2	10.7	14.2	0.5	-----	85.3
Boston.....	1,208	-.2	10.3	<sup>2</sup> 56.8	8.1	0.2	34.9
Buffalo <sup>3</sup> .....	922	+16.1	5.9	47.3	7.3	1.8	43.6
Chicago.....	3,043	-23.7	3.5	30.5	31.7	3.9	33.9
Cincinnati <sup>4</sup> .....	772	+18.4	10.3	9.2	12.9	1.7	76.2
Cleveland.....	1,193	+29.4	6.5	20.7	17.9	1.5	59.9
Detroit.....	2,228	+48.3	13.8	14.4	19.0	2.2	64.4
District of Columbia <sup>5</sup> .....	210	+18.0	9.7	-----	-----	-----	100.0
Los Angeles <sup>6</sup> .....	4,725	+23.0	13.8	( <sup>7</sup> )	16.0	( <sup>7</sup> )	( <sup>7</sup> )
Milwaukee <sup>8</sup> .....	2,810	+1.6	19.4	24.6	8.5	.7	66.2
Minneapolis.....	1,458	-13.3	13.8	49.3	7.6	2.2	40.9
Newark.....	441	+14.8	4.5	44.9	19.7	1.8	33.6
New Orleans <sup>9</sup> .....	143	+5.9	6.2	-----	-----	-----	100.0
New York.....	7,378	+14.9	5.2	29.1	16.7	6.8	47.4
Philadelphia.....	3,853	+46.3	8.5	35.7	32.6	3.2	28.5
Pittsburgh <sup>3</sup> .....	3,835	+49.6	14.4	31.8	39.3	7.3	21.6
Rochester.....	428	-10.8	5.7	53.3	6.5	3.0	37.2
St. Louis <sup>7</sup> .....	1,251	+69.5	17.6	18.6	34.7	2.3	44.4
San Francisco.....	1,101	-13.2	15.4	( <sup>7</sup> )	4.3	1.6	( <sup>7</sup> )

<sup>1</sup> Cases opened as a percent of average number of cases open at beginning and end of month.

<sup>2</sup> Includes cases opened because of insufficient earnings.

<sup>3</sup> Figures relate to entire county in which city is located.

<sup>4</sup> Accepts only unemployable cases.

<sup>5</sup> Not available.

<sup>6</sup> Figures relate to unemployable cases only.

<sup>7</sup> Figures include cases receiving shelter care.

of transfers to WPA exceeded cases accepted for aid because of separation from WPA rolls, the net decline in case load for this reason was significantly less in December than in the preceding month. In November no city reported a net increase of cases resulting from the relationship

of the WPA program to the relief program, whereas in December two cities—Philadelphia and Pittsburgh—reported net increases.

*Comparison with December 1939.*—The reduction in the total case load for the 19 cities from December a year ago was sizable, amounting to

Table 22.—Reasons for closing general relief cases, by selected city, December 1940

City	Cases closed		Separation rate <sup>1</sup>	Percent closed for specified reason						All other reasons
	Number	Percentage change from November		Regular employment obtained	Increased earnings or income	Transfer to the WPA	Receipt of unemployment benefits	Receipt of old-age retirement and survivors benefits	Transfer to special types of public assistance	
Baltimore.....	805	+43.8	13.3	11.2	2.5	9.2	0.1	-----	4.0	73.0
Boston.....	1,688	-2.0	14.3	26.1	-----	<sup>2</sup> 50.3	1.3	-----	8.0	14.3
Buffalo <sup>3</sup> .....	999	-4.4	6.4	49.9	15.3	10.7	1.7	( <sup>4</sup> )	1.8	( <sup>4</sup> )
Chicago.....	5,650	-3.9	6.6	17.2	5.1	61.4	.5	-----	3.1	12.7
Cincinnati <sup>4</sup> .....	640	-11.7	8.5	16.9	2.2	22.8	2.0	-----	8.1	48.0
Cleveland.....	962	-57.7	5.4	18.4	8.9	26.8	.9	-----	3.4	41.6
Detroit.....	2,292	+40.2	14.2	16.4	5.8	41.0	.8	-----	5.4	30.6
District of Columbia <sup>5</sup> .....	156	-15.7	7.2	10.3	6.4	10.3	.6	-----	20.5	51.9
Los Angeles <sup>6</sup> .....	4,710	-22.9	13.8	11.9	2.7	<sup>2</sup> 37.5	2.2	0.3	5.2	40.2
Milwaukee <sup>8</sup> .....	3,762	+19.1	26.0	14.0	2.1	33.7	.6	.1	1.3	48.2
Minneapolis.....	1,358	+21.4	12.9	11.2	5.1	38.5	2.3	-----	1.8	41.1
Newark.....	1,135	+24.7	11.5	26.0	2.9	47.4	1.0	3.4	.6	18.7
New Orleans <sup>9</sup> .....	45	( <sup>7</sup> )	2.0	4.5	-----	-----	-----	-----	33.3	62.2
New York.....	7,354	-20.3	5.2	23.3	9.3	43.1	2.3	.2	6.0	15.8
Philadelphia.....	3,788	-28.9	8.4	36.0	8.2	20.6	2.3	.1	15.5	17.3
Pittsburgh <sup>3</sup> .....	2,713	-10.8	10.2	25.5	6.3	31.0	4.1	( <sup>4</sup> )	22.8	10.3
Rochester.....	457	+25.2	6.1	44.6	14.0	20.4	2.6	-----	5.7	12.7
St. Louis <sup>7</sup> .....	928	+34.5	13.0	10.7	.1	61.5	1.7	-----	11.4	14.6
San Francisco.....	1,397	-4.4	10.5	8.4	1.5	<sup>2</sup> 42.8	1.2	-----	3.2	42.9

<sup>1</sup> Cases closed as a percent of average number of cases open at beginning and end of month.

<sup>2</sup> Includes cases transferred to the NYA and CCC.

<sup>3</sup> Figures relate to entire county in which city is located.

<sup>4</sup> Not available.

<sup>5</sup> Accepts only unemployable cases.

<sup>6</sup> Figures relate to unemployable cases only.

<sup>7</sup> Decrease. Percentage change not computed because less than 100 cases closed.

<sup>8</sup> Less than 0.1 percent.

<sup>9</sup> Figures include cases receiving shelter care.

18.3 percent. Only the District of Columbia, New Orleans, and St. Louis showed increases. The declines in the other cities, except in New York, exceeded 10 percent. The amount of aid extended in the 19 cities decreased 15.7 percent from December a year ago, a somewhat smaller decline than

that for the relief load. Four cities—Cleveland, the District of Columbia, New Orleans, and New York—showed an expansion in the amount of assistance provided, but only the District of Columbia and New Orleans reported an accompanying rise in the number of cases aided.

Table 23.—Applications received by agencies administering general relief, by selected city, December 1940

City	Pending at end of November	Received during December		Total dur- ing De- cember	Disposed of during December				Pending at end of December
		Number	Percentage change from November		Total	Accepted for general relief	Not accepted for general relief		
							Number	Percent	
Baltimore.....	197	841	+11.8	1,038	819	649	<sup>1</sup> 170	20.8	219
Boston.....	96	1,353	-3.3	1,449	1,383	1,208	175	12.7	66
Buffalo <sup>2</sup> .....	413	1,693	+13.2	2,106	1,705	922	783	45.9	401
Chicago.....	3,229	4,022	-7.7	7,251	4,461	3,043	<sup>1</sup> 1,418	31.8	2,790
Cincinnati <sup>2</sup> .....	133	1,492	+2.0	1,625	1,550	772	778	50.2	75
Cleveland.....	1,350	2,103	-3.2	3,453	2,284	1,193	1,091	47.8	1,169
Detroit.....	1,236	4,101	+19.6	5,337	4,241	2,228	2,013	47.5	1,096
District of Columbia <sup>2</sup> .....	188	434	+26.2	622	506	210	296	58.5	116
Los Angeles <sup>2</sup> .....	2,851	12,634	-6.4	15,485	13,439	4,725	<sup>1</sup> 8,714	64.8	2,046
Milwaukee <sup>2</sup> .....	118	3,268	-3.5	3,386	3,324	2,810	514	15.5	62
Minneapolis.....	513	1,924	-9.5	2,437	1,958	1,458	500	25.5	479
Newark.....	283	673	+8.9	956	695	441	254	36.5	261
New Orleans <sup>2</sup> .....	2,464	388	-11.4	2,852	425	143	282	66.4	2,427
New York.....	5,330	14,949	+8.5	20,279	15,090	7,378	7,712	51.1	5,189
Philadelphia.....	1,448	6,566	+27.6	8,014	6,457	3,853	2,604	40.3	1,557
Pittsburgh <sup>2</sup> .....	1,257	4,915	+35.5	6,172	5,092	3,835	1,257	24.7	1,080
Rochester.....	175	901	-6.0	1,076	812	428	384	47.3	264
St. Louis <sup>2</sup> .....	626	1,629	+30.9	2,255	1,800	1,251	549	30.5	455
San Francisco.....	427	3,200	-13.5	3,627	3,234	1,101	<sup>2</sup> 2,133	66.0	393

<sup>1</sup> Includes cases accepted for other types of assistance.

<sup>2</sup> Figures relate to entire county in which city is located.

<sup>3</sup> Accepts only unemployable cases.

<sup>4</sup> Figures represent combined reports of 2 agencies—1 administering relief

to employable cases and 1 relief to unemployable cases. May include duplications because some cases may have applied to both agencies during month.

<sup>1</sup> Figures relate to unemployable cases only.

<sup>2</sup> Figures include cases receiving shelter care.

# OLD-AGE AND SURVIVORS INSURANCE

BUREAU OF OLD-AGE AND SURVIVORS INSURANCE • ANALYSIS DIVISION

## Operations Under the Social Security Act

### *Employee Accounts Established and Employer Identification Numbers Assigned*

Data on employer identification numbers assigned will be published monthly, beginning with this issue of the Bulletin, in addition to data on employee accounts established. Numbers are required for those who employ one or more individuals receiving wages as defined under the Social Security Act. An application for an identification number is filed to cover all activities as an employer, even though these are conducted in more than one establishment or place of employment, and even though business is conducted under names different from the employer's true name. Each corporation of an affiliated group, however, is treated as a separate employer, and a separate number is filed for each. All concerns, including individuals, employers created by statute, court order, decree, will, trust, or other legal instrument, and corporations are represented by identification numbers.

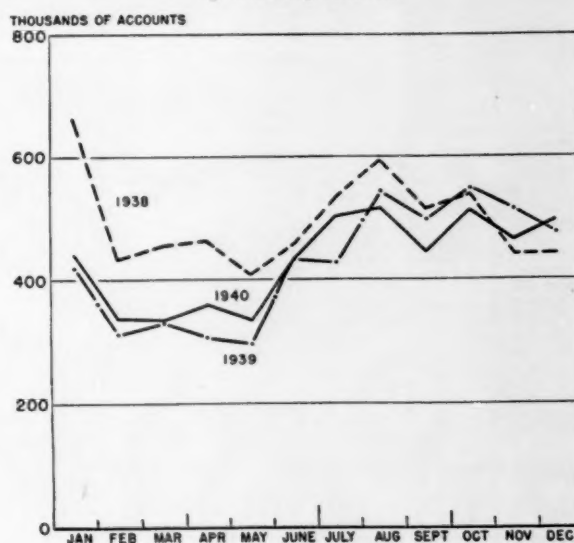
When the old-age and survivors insurance program was initiated in the fall of 1936, employers deemed subject to title VIII were canvassed through the post offices, and a mass assignment of identification numbers was undertaken. Numbers issued since then represent primarily those assigned to employers who establish a new business, take over an old one, or move from one internal revenue district to another. They represent, also, employers who change from noncovered to covered employment, who hire for the first time an employee whose wages are taxable, or who through change in corporate structure alter the ownership of the business. Some employers may also have applied for a second number through misunderstanding of the law. Current monthly data are useful to indicate roughly the number of new employers who become subject to the program. Cumulative data are not presented inasmuch as the files are not cleared to eliminate employers who obtained more than one number, who have gone out of business or have shut down temporarily, or who have been found not subject to social security taxes.

Over 21,000 employer identification numbers were assigned during December, a decline of about 13 percent from the previous month. New York, Illinois, and Texas, the three highest states, accounted for more than one-third of all identification numbers assigned and almost one-fifth of the employee accounts established (table 1).

Employee accounts established during December totaled 495,877, an increase of 7.5 percent from November. Decreases were noted in 14 States. The general increase may be due to the number of persons who obtained numbers for work during the Christmas season and for employment in defense industries.

The average number of employee accounts established per month during 1940 was 430,000 as compared with monthly averages of 426,000 and 495,000 in 1939 and 1938, respectively. The changing pattern from a lower level in the first 6 months to a higher level in the latter half of the year is similar in each of the 3 years. High points in July, August, and September may be due to the entrance of school children into the labor market. A factor contributing to an increase in the numbers issued was the enactment in August 1939 of the

Chart 1.—Number of employee accounts established, by month, 1938-40



amendments to the old-age and survivors insurance provisions which extended coverage to persons aged 65 and over, and to employees in banking, maritime, and fishing industries. Use of account numbers in connection with State unemployment compensation programs has also affected the issuance of numbers. Thus, the large volume of

**Table 1.—Employee accounts established and employer identification numbers assigned, by State, December 1940**

Social Security Board region and State	Employee accounts		Employer identification numbers	
	Number <sup>1</sup>	Percentage distribution	Number	Percentage distribution
Total.....	495,877	100.0	21,033	100.0
Region I:				
Connecticut.....	6,984	1.4	294	1.4
Maine.....	2,306	.5	135	.6
Massachusetts.....	18,724	3.8	564	2.7
New Hampshire.....	1,301	.3	77	.4
Rhode Island.....	2,987	.6	85	.4
Vermont.....	1,137	.2	42	.2
Region II:				
New York.....	39,947	8.1	4,000	19.0
Region III:				
Delaware.....	636	.2	31	.1
New Jersey.....	11,565	2.3	611	2.9
Pennsylvania.....	27,140	5.5	809	3.8
Region IV:				
District of Columbia.....	4,142	.8	180	.9
Maryland.....	9,385	1.9	471	2.2
North Carolina.....	25,187	5.1	98	.5
Virginia.....	12,135	2.4	333	1.6
West Virginia.....	6,452	1.3	229	1.1
Region V:				
Kentucky.....	9,849	2.0	306	1.5
Michigan.....	24,372	4.9	1,042	5.0
Ohio.....	21,664	4.4	972	4.6
Region VI:				
Illinois.....	28,626	5.8	1,779	8.5
Indiana.....	11,225	2.3	267	1.3
Wisconsin.....	7,110	1.4	299	1.4
Region VII:				
Alabama.....	13,933	2.8	103	.5
Florida.....	11,681	2.4	257	1.2
Georgia.....	14,486	2.9	91	.4
Mississippi.....	8,426	1.7	151	.7
South Carolina.....	9,708	2.0	112	.5
Tennessee.....	14,388	2.9	445	2.1
Region VIII:				
Iowa.....	6,539	1.3	600	2.9
Minnesota.....	5,721	1.2	392	1.9
Nebraska.....	3,002	.6	162	.8
North Dakota.....	1,497	.3	77	.4
South Dakota.....	1,358	.3	62	.3
Region IX:				
Arkansas.....	7,329	1.5	60	.3
Kansas.....	5,731	1.2	167	.8
Missouri.....	15,030	3.0	808	3.8
Oklahoma.....	5,967	1.2	345	1.6
Region X:				
Louisiana.....	19,050	3.8	171	.8
New Mexico.....	1,655	.3	117	.6
Texas.....	28,926	5.8	1,670	7.9
Region XI:				
Arizona.....	1,962	.4	142	.7
Colorado.....	3,604	.7	131	.6
Idaho.....	1,465	.3	174	.8
Montana.....	1,546	.3	238	1.1
Utah.....	1,378	.3	78	.4
Wyoming.....	798	.2	58	.3
Region XII:				
California.....	27,806	5.6	1,132	5.4
Nevada.....	269	.1	28	.1
Oregon.....	2,482	.5	254	1.2
Washington.....	6,129	1.2	312	1.5
Territories:				
Alaska.....	219	( <sup>2</sup> )	21	.1
Hawaii.....	718	.1	42	.2

<sup>1</sup> Period covers Dec. 1-27.

<sup>2</sup> Less than 0.05 percent.

accounts in the first month of 1938 is paralleled by the fact that 22 States first began unemployment benefit payments at that time. Minor peaks occur during January, April, July, and October of each year. The close of these months marks the due date for quarterly wage reports; at these times, in particular, employers urge their employees to obtain account numbers so that wage reports can be properly completed.

The number of accounts established does not always reflect accurately the number of applications during the month inasmuch as the administrative process of establishing accounts is sometimes delayed in favor of other accounting operations. Because of administrative changes, all monthly data are now reported for the 4- or 5-week period ending on the last Friday of the month. Month-to-month comparisons will henceforth be made on the basis of a weekly average for such periods.

#### **Claims for Benefits Allowed, January-December 1940**

Table 3 presents data, by type of benefit and by State of residence of the beneficiary, on the number of old-age and survivors insurance claims allowed under the amended act for the calendar year 1940 and the corresponding monthly or lump-sum amount payable. The basis for tabulation is similar to that for data published for the first 6 months (August Bulletin, p. 63) and the first 9 months (November Bulletin, p. 81).

The majority of claims for monthly benefits allowed during the year—52 percent—relate to retired workers aged 65 or over (table 2). Approximately 68 percent of all monthly beneficiaries

**Table 2.—Distribution of claims and amount payable for monthly benefits allowed under the 1939 amendments, by type of beneficiary, January-December 1940**

Type of beneficiary	Claims		Benefits payable <sup>1</sup>		Average amount <sup>2</sup>
	Number	Percent	Amount	Percent	
Total.....	254,984	100.0	\$4,710,281	100.0	\$18.47
Retired workers, aged 65 or over.....	132,335	51.9	3,005,055	63.8	22.71
Wives, aged 65 or over.....	34,555	13.6	419,964	8.9	12.15
Children under age 18.....	59,382	23.3	724,648	15.4	12.20
Widows, aged 65 or over.....	4,600	1.8	93,674	2.0	20.36
Widows with children under age 18.....	23,260	9.1	455,787	9.7	19.60
Dependent parents, aged 65 or over.....	852	.3	11,153	.2	13.09

<sup>1</sup> Without adjustment for deductions required by amendments.

<sup>2</sup> For interpretation of averages, see the *Bulletin*, July 1940, pp. 73-75.

Table 3.—Claims for benefits under the 1939 amendments: Number allowed and monthly or lump-sum amount payable,<sup>1</sup> by type of benefit and by State,<sup>2</sup> January–December 1940

[Data corrected to Feb. 8, 1941]

Social Security Board region and State	Monthly benefits						Widow's				Widow's current		Parent's		Lump-sum death payments	
	Total		Primary		Wife's		Child's		Widow's		Widow's current		Parent's		Lump-sum death payments	
	Num-ber	Amount	Num-ber	Amount	Num-ber	Amount	Num-ber	Amount	Num-ber	Amount	Num-ber	Amount	Num-ber	Amount	Num-ber	Amount
Total.....	254,984	\$4,710,281	132,335	\$3,005,055	34,555	\$419,964	59,382	\$724,648	4,600	\$93,674	23,260	\$455,787	852	\$11,153	75,095	\$0,138,025
Region I: Connecticut.....	5,055	96,747	2,593	58,983	799	10,061	1,111	14,573	160	3,295	473	9,709	9	126	1,554	102,425
Maine.....	2,243	38,950	1,294	20,305	351	4,035	441	4,016	48	902	103	2,932	6	70	505	55,752
Massachusetts.....	13,331	260,156	7,439	175,199	2,262	28,553	2,340	30,205	306	6,343	305	10,441	29	415	3,374	415,708
New Hampshire.....	2,045	35,451	1,132	24,068	368	4,124	370	3,963	35	735	118	2,982	2	27	440	47,423
Rhode Island.....	2,305	44,963	1,316	30,144	435	5,306	387	4,797	33	1,449	78	1,417	7	85	651	76,969
Vermont.....	1,036	18,565	579	12,430	160	1,874	201	84,566	18	1,409	78	1,417	7	85	213	24,281
Region II: New York.....	34,711	691,491	19,513	403,155	5,269	65,987	6,245	84,566	707	14,728	2,875	61,302	102	1,463	9,900	1,246,447
Region III: Delaware.....	618	11,016	351	7,336	98	1,102	112	1,413	15	292	40	833	2	20	207	23,232
New Jersey.....	10,779	218,327	5,720	140,668	1,654	21,680	2,139	29,169	269	5,831	963	20,584	34	495	3,810	453,824
Pennsylvania.....	27,095	502,874	13,641	314,959	3,896	47,330	6,447	79,831	526	10,739	2,401	48,704	94	1,281	7,875	949,879
Region IV: District of Columbia.....	1,004	18,711	511	11,373	109	1,324	272	3,325	22	411	112	2,227	1	11	453	54,960
Maryland.....	3,425	61,784	1,730	38,020	425	5,025	1,641	10,130	81	1,596	334	6,095	19	257	1,371	164,921
North Carolina.....	4,469	64,298	1,898	35,897	422	4,152	1,641	10,130	38	1,596	334	6,095	19	257	1,371	164,921
Virginia.....	3,730	57,945	1,667	31,534	318	3,446	1,664	18,928	41	779	446	7,572	11	11	1,414	142,180
West Virginia.....	4,251	66,968	1,808	36,253	397	4,017	1,664	18,928	50	958	425	7,024	21	268	1,359	143,000
Region V: Kentucky.....	4,153	68,381	1,808	36,253	397	4,017	1,664	18,928	50	958	425	7,024	21	268	1,359	143,000
Ohio.....	9,573	183,351	4,607	102,053	1,259	13,321	2,758	37,029	189	3,878	1,137	23,457	30	418	3,336	427,091
Michigan.....	17,180	328,340	8,607	209,851	2,557	31,312	3,523	48,343	303	7,405	1,475	30,437	44	603	5,945	728,458
Illinois.....	17,511	313,693	8,285	200,140	2,381	29,212	3,523	48,343	303	7,405	1,475	30,437	44	603	5,945	728,458
Indiana.....	7,094	128,948	3,641	71,559	1,088	12,442	1,186	12,748	130	2,717	469	16,019	22	342	1,652	200,907
Wisconsin.....	5,995	114,189	3,175	71,158	1,088	12,442	1,186	12,748	130	2,717	469	16,019	22	342	1,652	200,907
Region VI: Alabama.....	3,274	57,590	1,728	33,844	529	6,451	1,265	12,719	23	450	97	9,977	15	169	1,136	117,799
Florida.....	3,926	49,730	1,529	33,011	313	3,609	1,265	12,719	23	450	97	9,977	15	169	1,136	117,799
Georgia.....	3,542	62,196	1,529	33,011	313	3,609	1,265	12,719	23	450	97	9,977	15	169	1,136	117,799
Mississippi.....	1,539	21,780	706	13,120	121	1,164	1,265	12,719	23	450	97	9,977	15	169	1,136	117,799
South Carolina.....	2,217	31,004	895	17,027	192	1,920	1,265	12,719	23	450	97	9,977	15	169	1,136	117,799
Tennessee.....	3,770	58,382	1,791	35,341	370	3,984	1,265	12,719	23	450	97	9,977	15	169	1,136	117,799
Region VII: Iowa.....	3,426	59,920	1,897	39,691	550	6,283	1,169	11,938	47	829	372	6,069	21	221	1,108	110,956
Minnesota.....	3,969	78,468	2,212	52,497	574	7,281	791	10,517	68	1,169	240	4,828	13	159	807	103,114
Nebraska.....	1,413	25,619	801	17,337	210	2,425	281	10,517	68	1,169	240	4,828	13	159	807	103,114
North Dakota.....	3,322	5,385	166	17,337	210	2,425	281	10,517	68	1,169	240	4,828	13	159	807	103,114
South Dakota.....	434	7,951	240	13,967	71	902	91	1,113	4	74	28	504	3	36	316	38,121
Region IX: Arkansas.....	1,644	24,021	790	13,967	160	1,608	519	5,037	17	316	103	3,043	5	50	121	14,241
Kansas.....	2,304	40,086	1,267	26,627	324	3,580	467	5,349	48	920	192	3,538	6	72	535	58,821
Missouri.....	6,140	113,672	3,454	70,270	862	10,455	1,155	14,531	122	2,455	402	9,655	25	306	1,913	236,821
Oklahoma.....	2,177	36,738	991	20,267	195	2,237	700	8,163	32	535	289	5,477	5	60	553	70,976
Region X: Louisiana.....	2,658	42,542	1,193	24,176	243	2,644	848	9,205	32	535	289	5,477	5	60	553	70,976
New Mexico.....	446	7,152	194	4,030	30	382	163	1,693	3	76	55	951	1	20	111	13,746
Texas.....	6,773	112,260	3,081	64,339	604	6,628	2,142	24,081	68	1,257	832	15,647	26	308	2,240	251,057
Region XI: Arizona.....	600	10,465	271	6,005	47	583	308	2,608	2	35	71	1,324	1	10	177	20,280
Colorado.....	1,830	34,779	1,016	23,364	227	2,862	382	6,613	29	602	170	3,287	6	61	483	60,470
Idaho.....	597	10,588	296	6,004	58	58	173	2,021	6	124	62	1,119	2	27	148	18,904
Montana.....	683	13,113	373	8,495	79	1,039	151	1,958	13	355	60	1,237	2	27	254	31,587
Utah.....	969	17,376	406	9,348	104	1,282	318	3,046	18	138	125	2,476	3	35	256	29,179
Wyoming.....	361	6,410	152	3,335	25	287	128	1,637	4	72	52	1,079	3	35	107	14,353
Region XII: California.....	14,752	293,440	8,816	205,839	1,888	23,579	2,630	34,764	248	5,145	1,116	23,340	54	773	4,273	566,963
Nevada.....	178	3,479	86	2,085	8	106	62	831	2	33	33	494	71	71	8,297	8,297
Oregon.....	2,437	45,702	1,430	31,978	364	4,362	421	5,073	40	814	172	3,345	10	130	579	73,402
Washington.....	4,125	80,095	2,426	55,929	572	7,070	722	9,124	66	1,314	325	6,474	14	178	1,000	126,993
Territories: Alaska.....	46	984	25	585	1	1	13	216	1	1	5	136	2	10	20	2,778
Hawaii.....	736	11,179	346	6,849	26	232	304	3,060	2	31	68	1,007	9	101	151	14,315
Foreign.....	237	3,766	94	1,846	29	333	71	3,846	2	41	32	1,009	9	101	244	26,003

<sup>1</sup> Represents all claims allowed during 12 months and monthly amount payable without adjustments required by sec. 205 (subsecs. d, e, g, and h) or sec. 907 of the Social Security Act Amendments of 1939.

<sup>2</sup> Distribution based on residence of claimant at time claim was filed.

<sup>3</sup> Represents number of payees, which may exceed number of deceased workers with respect to whose wage records payments were allowed.

represented are individuals aged 65 or over, including wives, widows, and parents as well as retired workers. There is no significant variation in the average monthly benefits of various types allowed during the entire year as compared with those allowed for either the first 6 or the first 9 months of the year.

### Disposition of Claims Received

More than 31,000 claims for benefits under the amended act were received in Washington in December. This number represented an increase of approximately 1,000 over the number received in November. The increase was largely a reflection of an increased number of claims for lump-sum death payments. Adjudicative determinations were made on fewer claims than were received during the month. As a result, a slightly larger number were pending at the end of the month than at the end of November (table 4).

### Employers, Employees, and Taxable Wages

The general upward movement in the number of employers reporting taxable wages and in the number of employees receiving taxable wages under the old-age and survivors insurance program continued through the third quarter of 1940.<sup>1</sup> The number of employers reporting for the third quarter of 1940 reached nearly 2.0 million and was the highest since the beginning of the program. The 27.7 million employees on the last day or last pay roll of the quarter and 29.2 million employees with taxable wages during the quarter also represent the highest levels thus far attained. The large increase in the number of employees during the third quarter of 1940, as well as on the last day or pay roll of the quarter, as compared with the

<sup>1</sup> These data do not represent the total number of employers and employees and total earnings in the United States, but only that portion included under the old-age and survivors insurance program.

**Table 5.—Number of employers and employees and amount of taxable wages included under the old-age and survivors insurance program, for specified period, 1937-40<sup>1</sup>**

[Data corrected to Jan. 25, 1941]

Year and quarter	Number of employers reporting taxable wages <sup>1</sup> (in thousands)	Number of employees earning taxable wages		Amount of taxable wages	
		On last day or pay roll of quarter (in thousands)	Total during year or quarter (in thousands)	Total (in millions)	Average per employee
1937.....	( <sup>2</sup> )	-----	32,800	\$29,300	\$893
1938.....	( <sup>2</sup> )	-----	31,200	26,200	840
January-March.....	1,740	23,000	25,100	6,447	257
April-June.....	1,783	23,000	25,200	6,523	259
July-September.....	1,813	23,800	25,900	6,505	251
October-December.....	1,833	23,600	26,500	6,725	254
1939.....	( <sup>2</sup> )	-----	33,600	29,200	869
January-March.....	1,821	24,400	25,300	7,040	278
April-June.....	1,878	25,300	26,700	7,221	270
July-September.....	1,913	26,100	27,400	7,497	274
October-December.....	1,942	25,700	28,400	7,442	262
1940:					
January-March.....	1,926	26,600	27,400	8,061	294
April-June.....	1,972	26,700	28,300	8,233	291
July-September.....	1,984	27,700	29,200	8,138	279

<sup>1</sup> Data partly estimated and subject to revision. Data are presented quarterly; for first publication of series, see the *Bulletin*, November 1940, pp. 79-80.

<sup>2</sup> Number of employers corresponds to number of employer returns. A return may relate to more than 1 establishment if employer operates several separate establishments but reports for concern as a whole.

<sup>3</sup> Data not available.

second quarter of 1940, probably results from increased jobs due to the defense program.

Average taxable wages per employee for the third quarter of 1940 were lower than for the first and second quarters of 1940, but higher than for any quarter of the previous 2 years. The decline from the earlier quarters of 1940 is partly due to the fact that wages over \$3,000 a year paid to an employee are not taxable. Since the first \$3,000 is generally reported in the early quarters of the year for employees with higher earnings, the employee and his earnings in excess of \$3,000 are excluded from subsequent tax returns.

**Table 4.—Claims for benefits under the 1939 amendments: Number and disposition of claims received in Washington, cumulative through December 1940 and for December 1940**

Type of benefit claim	Cumulative through December				December				Pending as of Dec. 31
	Received	Allowed	Withdrawn	Disallowed	Received	Allowed	Withdrawn	Disallowed	
Total.....	380,743	332,094	7,863	17,648	31,246	28,317	661	1,954	23,138
Primary.....	151,104	132,877	5,229	5,591	9,345	8,700	349	420	7,407
Wife's.....	38,453	34,814	691	949	2,769	2,711	51	102	1,999
Child's <sup>1</sup> .....	70,004	60,151	1,187	3,408	6,490	5,884	132	522	5,258
Widow's.....	5,555	4,665	41	282	729	640	8	27	567
Widow's current.....	26,673	23,602	226	1,101	2,571	2,279	37	163	1,744
Parent's.....	1,671	969	53	545	138	122	12	73	104
Lump-sum.....	87,283	75,016	436	5,772	9,204	7,981	72	647	6,059

<sup>1</sup> Includes children of primary beneficiaries and deceased insured workers.

# Operations Under the Railroad Retirement Act\*

## Payments Certified to the Treasury

Total benefit payments certified to the Treasury in December 1940 (table 1) amounted to \$10.0 million—0.2 percent less than in November but 0.3 percent more than the average for the first 5 months of the current fiscal year. Besides the decrease as usual in payments to former carrier pensioners, a large decrease occurred in retroactive payments for employee annuities. Lump-sum death benefit payments were larger in December than in the previous month. Current monthly payments on employee annuities continued to rise, although the increase was considerably smaller than usual. The large decrease in retroactive payments and the small increase in current monthly payments on employee annuities are accounted for by the relatively small number of new certifications in December, chiefly because of the smaller number of adjudication man-days worked.

Total net payments for the first 6 months of the current fiscal year amounted to \$60.0 million compared with \$55.9 million for the corresponding period a year ago. Total net payments authorized by the Board since the beginning of the railroad retirement system for all classes of benefits have amounted to \$368.3 million.

\*Prepared by the Bureau of Research and Information Service, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

## Changes in Annuities and Pensions in Force

Because of the relatively small number of new certifications, the monthly increase in in-force figures was also unusually small. Employee annuities in force on December 31, 1940, numbered 685 more than on November 30, compared with an increase of 1,039 in November over October and of 1,248 in October over September. The 685 net addition in December resulted from the 1,370 new certifications, 692 deaths, and minor adjustments (table 2). New certifications in November numbered 1,698 and in October 1,846.

The number of survivor annuities in force on December 31 was 25 greater than on November 30, while the number of death-benefit annuities was smaller by 10. The number of pensions in force decreased by 341.

The number of lump-sum death benefits certified in December was 978; in November, the number was 862.

## Average Payments

The average monthly payment on employee annuities initially certified in December was \$62.70. Nearly 26 percent of the annuities initially certified in December are subject to recertification because complete evidence on service, earnings, and other information relating to the amount payable was not on hand at the

Table 1.—Railroad retirement: Net benefit payments certified to the Secretary of the Treasury, by class of payment for specified periods, 1936-40<sup>1</sup>

Period and administrative action	Total payments	Employee annuities	Pensions to former carrier pensioners	Survivor annuities	Death-benefit annuities	Lump-sum death benefits
Net benefit payments:						
Cumulative through December 1940.....	\$ 368,339,841	\$257,400,384	\$101,481,220	\$2,643,712	\$2,101,289	\$4,713,233
Fiscal year:						
1936-37.....	4,514,617	4,409,019		36,751	68,846	
1937-38.....	82,654,660	46,930,329	34,701,617	388,479	599,217	35,017
1938-39.....	107,131,438	75,418,986	28,887,973	787,240	716,261	1,330,976
1939-40.....	114,025,141	84,529,592	25,975,863	912,895	495,290	2,111,590
1940-41 (through December).....	60,013,983	46,112,457	11,915,765	518,345	221,765	1,245,649
November 1940.....	10,040,073	7,782,583	1,955,018	88,443	35,831	178,197
In-force payments.....	9,430,922	7,347,356	1,974,900	82,465	26,199	
Retroactive payments.....	500,850	435,498	1,385	6,239	9,706	
Lump-sum death-benefit payments.....	178,858					178,858
Cancellations and repayments (deduct).....	70,556	48,270	21,268	281	75	660
December 1940.....	10,024,464	7,751,987	1,942,615	88,379	35,681	203,801
In-force payments.....	9,453,947	7,394,341	1,955,448	83,317	25,840	
Retroactive payments.....	426,359	404,774	5,829	5,208	10,547	
Lump-sum death-benefit payments.....	206,349					206,349
Cancellations and repayments (deduct).....	67,192	47,128	18,663	145	706	548

<sup>1</sup> For definitions of classes of payments see the *Bulletin*, July 1939, p. 7. Cents are omitted in all figures. Data relate to months ended on 30th calendar day.

<sup>2</sup> Total benefit payments certified to the Secretary of the Treasury are \$9.0 million more than total benefit payments issued by disbursing officer

as shown on p. 106, table 7. This difference results almost entirely from payments for annuities and pensions in force at end of month which are certified to the Secretary of the Treasury during month and for which checks are not drawn by disbursing officer until first of following month.

time of initial certification. It is estimated that the average monthly amount of recent initial certifications will increase from 2 to 2½ percent when those subject to recertification are certified on a final basis.

For all employee annuities in force at the end of December, including those subject to recertification, the average was \$65.61. The average monthly pension in force at the end of December was \$58.78. For survivor annuities the average monthly payment amounted to \$32.87, and for death-benefit annuities to \$35.49. The average payment for lump-sum death-benefits certified in December was \$209.79.

#### **Type of Credited Service of Employee Annuitants**

Under the Railroad Retirement Act, service credit toward an annuity is granted for periods not only subsequent to, but also under certain conditions for service prior to, the dates with reference to which taxes and wage reports began—March 1, 1936, under the Taxing Act of 1935 and January 1, 1937, under the Carriers Taxing Act of 1937.<sup>1</sup>

The distribution of employee annuities certified through June 1940, by type of service credited and by fiscal year in which they accrued, shows that nearly all of them involved prior-service

credit; 19.7 percent involved prior service only, and 80.2 percent involved service acquired both prior and subsequent to the specified dates (table 3). Employee annuities based on subsequent service only were but a fraction of 1 percent of the total.

The proportion of annuities certified on the basis of prior service only was obviously largest in the earlier years of the operation of the system, amounting to 84.5 percent for the fiscal year 1935-36 and 44.2 percent for the fiscal year 1936-37. Since then the number of annuities with prior service only has declined sharply to 4.3 percent for 1939-40. The percentages for the later years will probably be increased somewhat by later certifications, since annuities based on prior service only require more frequently than annuities based on other service a determination that an employment relation existed on August 29, 1935. This determination usually delays adjudication somewhat.

#### **Claims for Military-Service Credit**

Implementing the provisions of the Second Revenue Act of 1940, wherein time spent in military service prior to January 1, 1937, is, under certain conditions, creditable as service in the computation of an annuity under the Railroad Retirement Act,<sup>2</sup> the Board supplied application

<sup>1</sup> See the *Bulletin*, July 1939, pp. 3-5.

<sup>2</sup> See the *Bulletin*, November 1940, p. 86.

**Table 2.—Railroad retirement: Number of annuities and pensions in force and monthly amount payable as of Dec. 31, 1940<sup>1</sup>**

Period and administrative action	Total		Employee annuities		Pensions to former carrier pensioners		Survivor annuities		Death-benefit annuities <sup>2</sup>	
	Number	Monthly amount	Number	Monthly amount	Number	Monthly amount	Number	Monthly amount	Number	Monthly amount
In force as of Nov. 30, 1940.....	148,882	\$9,430,922	112,025	\$7,347,356	33,609	\$1,974,900	2,510	\$82,465	738	\$29,199
During December 1940: <sup>3</sup>										
Initial certifications.....	1,484	89,998	1,370	85,899	2	167	30	978	82	2,953
Terminations by death.....	1,120	67,097	692	44,664	328	18,880	8	232	92	3,319
Net adjustments.....	-5	+5,124	+7	+5,751	-15	-739	+3	+105	-----	+6
Cumulative through December 1940: <sup>3</sup>										
Initial certifications.....	190,772	11,363,806	134,464	8,282,021	48,525	2,809,100	2,681	87,357	5,102	185,326
Terminations by death.....	41,067	2,395,684	21,332	1,378,988	15,219	851,986	143	4,557	4,373	160,151
Net adjustments.....	-464	+490,826	-422	+491,309	-38	-1,665	-3	+517	-1	+665
In force as of Dec. 31, 1940.....	149,241	9,458,947	112,710	7,394,341	33,268	1,955,448	2,535	83,317	728	25,840

<sup>1</sup> Figures (cents omitted) based on month ended on 20th calendar day in which annuity or pension was first certified or terminated upon notice of death, or in which other administrative action was taken by the Board rather than on month in which annuity or pension began to accrue, beneficiary died, or administrative action was effective. In-force payments as of end of month reflect administrative action through the 20th. Correction for a claim certified or terminated in error or for an incorrect amount is made in figures for month in which error was discovered and not in figures for month in which error was made. To this extent, figures shown here may differ slightly from administrative action.

<sup>2</sup> In a few cases payments are made to more than 1 survivor on account of

death of 1 individual. Such payments are here counted as single items. Terminations include those by death and by expiration of 12-month period for which death-benefit annuities are payable. Practically all terminations are of latter type.

<sup>3</sup> Certifications are added, terminations by death are subtracted, and net adjustments are added or subtracted as indicated. Net adjustments are obtained by adding reinstatements of suspended payments and subtracting terminations for reasons other than death (suspensions, returns to service, and commuted lump-sum payments). Recertifications, which are included in net adjustments, ordinarily result in additions to amount payable but do not affect number of cases adjusted.

blanks to some 45,000 annuitants and applicants with less than 30 years of service who might benefit by the allowance for military service.

The returns to this inquiry filed with the Board through December 31, 1940, numbered only 486; the weekly number of applications apparently had already reached a maximum and was rapidly tapering off. This relatively small number of applications for military service credit is explained by the fact that most of the employees subject to the act who had military service in the World War have not yet reached retirement age, while few annuitants had military service in the Spanish-American War.

**Table 3.—Percentage distribution of employee annuities certified through June 1940, by type of service credited, for fiscal year in which annuities began to accrue**

Period in which benefits began to accrue	Number	Percentage distribution			
		Total	Prior and subsequent service	Prior service only	Subsequent service only
Cumulative through June 1940.....	124,055	100.0	80.2	19.7	0.1
Fiscal year:					
1935-36.....	4,095	100.0	15.5	84.5	.....
1936-37.....	29,143	100.0	55.2	44.2	(1)
1937-38.....	52,565	100.0	88.6	11.3	.1
1938-39.....	23,691	100.0	93.1	6.7	.2
1939-40.....	14,561	100.0	95.5	4.3	.2

<sup>1</sup> Less than 0.05 percent.

# SOCIAL AND ECONOMIC DATA

BUREAU OF RESEARCH AND STATISTICS

## Social Insurance Payments Under Selected Programs

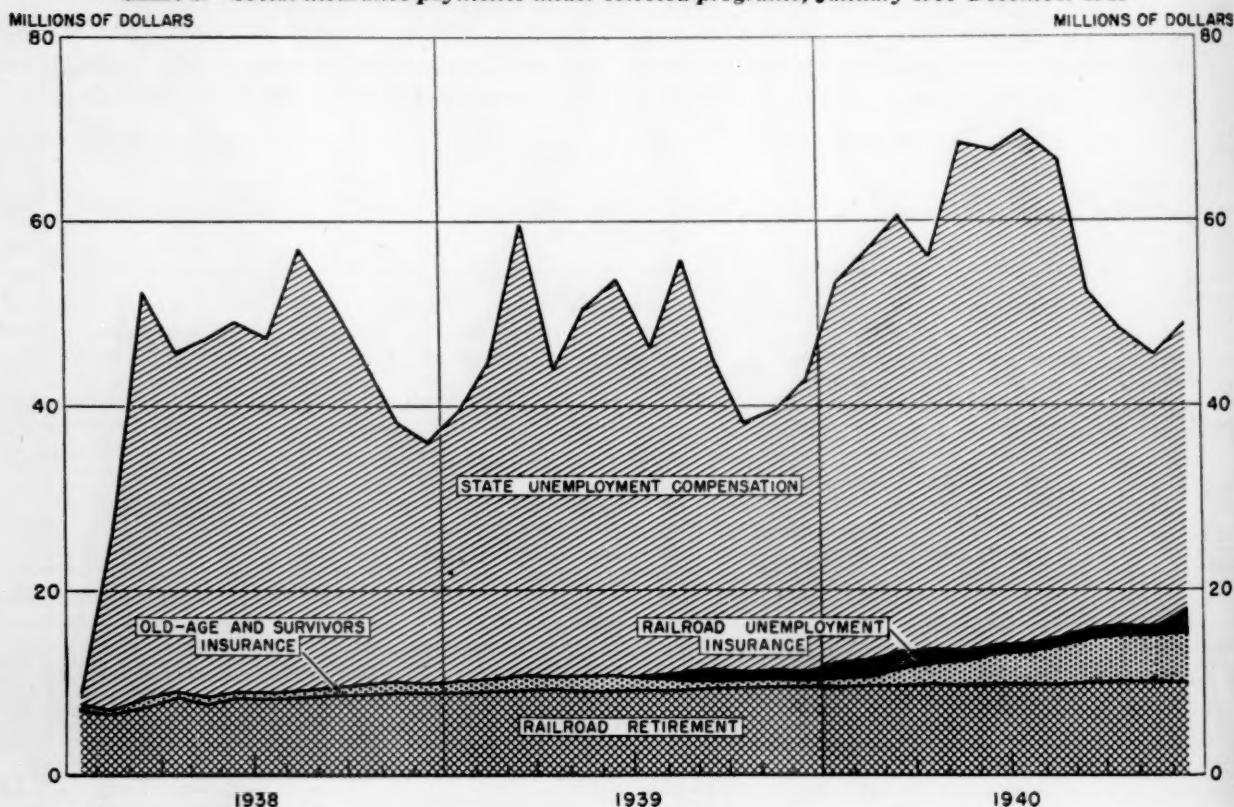
Payments under four selected social insurance programs for workers in commercial and industrial employment showed in December the first increase since July (chart 1). While total certifications of \$48.9 million during the month exceeded payments in October and November, they were less than payments in any other 1940 month and about \$9 million less than the average monthly payments in 1940.

The increase of \$3.3 million in December over November was shared by all programs except railroad retirement (table 1). The smallest percentage increase—4.5 percent—was in State unemployment compensation benefits; the largest—211.7 percent—in railroad unemployment insurance benefits. The latter payments of \$2.4 million reflect a seasonal increase of unemployment in the railroad industry and the more liberal benefit

formula under the recent amendments. In addition, they were inflated by payments in December for unemployment in November, resulting from administrative delays in connection with the amendments. The State unemployment compensation payments of \$30.9 million were for the second time this year less than those for the corresponding month of 1939. This decrease undoubtedly reflects the influence of the defense program in lessening the seasonal decline in employment.

Payments under the old-age and survivors insurance program of the Social Security Act increased 7.0 percent. Lump-sum death payments under the 1935 act, to survivors of workers who died before 1940, continued to decline—to \$25,000; both monthly payments and lump-sum death payments under the 1939 amendments increased. Al-

Chart 1.—Social insurance payments under selected programs, January 1938–December 1940



though the monthly value of the railroad retirement roll (table 2, p. 92) increased 0.3 percent and lump-sum payments increased 15.7 percent, the total amount certified during the month decreased 0.1 percent because of fewer new certifications and the resultant smaller amount of retroactive payments.

Total payments under the four programs in the calendar year 1940—\$694.7 million—were 24.0 percent higher than in 1939. The increase was shared by all programs but was proportionately greater for the old-age and survivors insurance programs—27.4 percent—than for unemployment

insurance programs—23.1 percent. With the beginning in 1940 of monthly benefits under the old-age and survivors insurance provisions of the Social Security Act, 1940 payments were almost three times the 1939 payments of \$13.9 million. Lump-sum death benefits in 1940 under both the 1935 act and the amendments were 15.6 percent less than lump-sum payments during 1939. Obviously, many persons who would have received only lump-sum payments under the 1935 act received monthly payments under the amendments. Monthly benefits, which totaled only \$76,000 in the first month of payments, January

Table 1.—Social insurance payments under selected programs, calendar years 1936-40, and by month, January 1939-December 1940<sup>1</sup>

(In thousands)

Year and month	Total	Old-age and survivors insurance payments							Unemployment insurance payments		
		Total	Under the Social Security Act			Under the Railroad Retirement Act <sup>1</sup>			Total	Under State unemployment compensation laws <sup>2</sup>	Under the Railroad Unemployment Insurance Act <sup>3</sup>
			Monthly benefits—primary, supplementary, and survivors <sup>4</sup>	Lump-sum death payments under 1939 amendments <sup>5</sup>	Lump-sum payments under 1935 act <sup>6</sup>	Employee annuities and pensions	Survivor and death-benefit annuities	Lump-sum death payments			
1936 total.....	\$816	\$685				\$683	\$2		\$131	\$131	
1937 total.....	43,855	41,723			\$1,278	40,001	444		2,132	2,132	
1938 total.....	505,319	108,918			10,478	96,749	1,401	\$200	396,401	396,401	
1939 total.....	560,140	124,553			13,895	107,282	1,450	1,926	435,587	429,820	\$5,767
January.....	39,307	10,104			1,255	8,616	110	123	29,203	29,203	
February.....	45,059	10,314			1,169	8,874	108	163	34,745	34,745	
March.....	59,637	10,764			1,541	8,842	140	241	48,873	48,873	
April.....	44,157	10,699			1,466	8,883	128	222	33,458	33,458	
May.....	50,627	10,697			1,525	8,883	125	164	39,930	39,930	
June.....	53,787	10,626			1,518	8,817	138	153	43,161	43,161	
July.....	46,298	10,425			1,323	8,871	125	106	35,873	35,596	277
August.....	55,667	10,154			953	8,927	112	162	45,513	44,491	1,022
September.....	45,076	10,090			793	9,054	126	117	34,986	33,656	1,330
October.....	37,907	10,240			806	9,134	109	191	27,667	26,690	977
November.....	39,692	10,371			891	9,189	121	170	29,321	28,369	952
December.....	42,926	10,069			655	9,192	108	114	32,857	31,648	1,209
1940 total.....	694,701	158,702	\$28,858	\$8,905	2,829	114,168	1,446	2,496	535,990	520,110	15,889
January.....	53,296	10,410	76	3	913	9,141	113	164	42,886	41,066	1,820
February.....	56,753	10,605	251	159	584	9,299	114	196	46,148	44,351	1,797
March.....	60,544	11,588	915	659	412	9,310	114	178	48,956	47,142	1,814
April.....	56,057	12,185	1,288	795	238	9,483	123	258	43,872	42,292	1,580
May.....	68,418	12,347	1,625	735	256	9,386	123	222	56,071	54,897	1,174
June.....	67,642	13,147	2,266	886	125	9,520	120	230	54,495	53,637	858
July.....	69,956	13,503	2,712	904	69	9,508	120	190	56,453	55,750	703
August.....	66,625	13,935	3,138	804	53	9,639	118	183	52,090	51,701	989
September.....	52,424	14,803	3,633	1,039	61	9,696	121	253	37,621	36,595	1,026
October.....	48,529	15,348	4,109	1,064	54	9,753	132	236	33,181	32,231	950
November.....	45,574	15,241	4,262	900	39	9,738	124	178	30,333	29,561	772
December.....	48,883	15,590	4,583	957	25	9,695	124	206	33,293	30,887	2,406

<sup>1</sup> Payments to individual beneficiaries under programs; figures exclude cost of administration.

<sup>2</sup> Amounts certified to the Secretary of the Treasury for payment, including retroactive payments.

<sup>3</sup> Payable with respect to deaths of fully or currently insured workers after Dec. 31, 1939, in cases where no survivor was entitled to monthly benefits for month in which worker died.

<sup>4</sup> Figures for September 1939 and subsequent months are for lump-sum death payments with respect to deaths of covered workers prior to Jan. 1, 1940. Figures through August 1939 include payments at age 65 totaling \$9.9 million; for monthly distribution of these payments, see the *Bulletin*, March 1940, p. 31, table 1.

<sup>5</sup> Amounts certified during month ended on 20th calendar day to the

Secretary of the Treasury for payment. Figures for any period represent payments certified during period, including retroactive payments, minus cancellations reported during period.

<sup>6</sup> Amount of checks issued, as reported by State agencies to the Bureau of Employment Security, Research and Statistics Division. Figures for December 1939-December 1940 include amounts paid as adjustments on payments in Ohio for previous months of 1939, resulting from recalculation of weekly benefit amounts in accordance with a court decision and from allowance of benefits on appeal in a labor-dispute case.

<sup>7</sup> Amounts certified by regional offices of the Railroad Retirement Board to regional disbursing officers of the U. S. Treasury. Figures for any period represent payments certified during period, including retroactive payments, minus cancellations reported during period.

1940, increased every month; the total disbursements for the first year amounted to \$28.9 million.

Payments of \$118.1 million under the Railroad Retirement Act represented an increase of only 6.7 percent over 1939. This program has passed the stage of rapid growth, and aggregate monthly payments were only 6.4 percent greater in 1940 than in 1939. Lump-sum death payments in 1940 numbered 4,000 less than in 1939 because of a backlog of such claims in the early months of 1939, but the total paid on these claims in 1940 was \$570,000 or 30 percent more. This increase results from the gradually increasing period of covered employment and the accumulation of wages on which lump-sum payments are based.

Total payments under the State unemployment compensation laws were 21.0 percent higher in 1940 than in 1939. This increase results in part

from the fact that 1940 was the first full year of benefit payment in all the States. A major factor in the increase was higher base-period earnings in 1939 which qualified more workers for benefits in 1940 and increased their maximum total benefits, especially in connection with the liberalized benefit formulas in the amended laws of some States. Since payments under the Railroad Unemployment Insurance Act to workers previously covered by the State laws began in July 1939, 1940 payments of \$15.9 million represent the first full year of operation under that program and are not comparable with 1939 payments of \$5.8 million.

The number of beneficiaries under the various programs in December (table 2) reflects changes which are sometimes at variance with the changes in the total payments certified during the month. The number of annuitants under the Railroad

Table 2.—Individuals receiving social insurance payments under selected programs, by month, January 1939–December 1940

[In thousands]

Year and month	Old-age and survivors insurance beneficiaries						Unemployment insurance beneficiaries	
	Under the Social Security Act			Under the Railroad Retirement Act			Under State unemployment compensation laws <sup>4</sup>	Under the Railroad Unemployment Insurance Act <sup>5</sup>
	Monthly benefits—primary, supplementary, and survivors <sup>1</sup>	Lump-sum death payments under 1939 amendments <sup>2</sup>	Lump-sum payments under 1935 act <sup>3</sup>	Employee annuities and pensions <sup>4</sup>	Survivor and death-benefit annuities <sup>4, 5</sup>	Lump-sum death payments <sup>2</sup>		
1939								
January			18.7	123.0	2.1	1.7	657.2	
February			17.5	124.6	2.2	1.9	769.8	
March			21.7	126.1	2.3	2.6	833.2	
April			19.4	127.4	2.4	2.2	685.1	
May			19.3	128.6	2.5	1.6	776.0	
June			18.2	129.7	2.6	1.3	802.2	
July			15.7	130.7	2.6	.8	764.9	18.3
August			10.9	131.5	2.6	1.2	797.2	30.5
September			8.6	132.6	2.7	.9	729.9	50.2
October			8.6	133.7	2.7	1.3	801.7	30.5
November			9.4	134.9	2.7	1.2	637.0	28.3
December			6.9	136.1	2.8	.7	658.3	37.3
1940								
January	3.7	( <sup>6</sup> )	8.9	136.6	2.8	1.0	874.8	57.0
February	8.4	1.0	6.2	137.6	2.8	1.2	985.5	52.8
March	32.6	4.3	5.2	138.4	2.8	1.0	1,095.2	57.4
April	52.7	5.3	3.3	139.3	3.0	1.4	960.7	50.9
May	72.5	5.0	3.8	140.2	3.0	1.3	1,201.0	35.0
June	96.7	6.1	2.1	141.2	3.1	1.2	1,268.6	31.4
July	120.8	6.3	1.3	142.1	3.1	1.0	1,220.0	22.3
August	143.4	5.6	1.1	143.0	3.1	1.0	1,121.8	31.1
September	164.9	7.3	1.3	143.9	3.2	1.3	875.4	37.5
October	190.0	7.5	1.1	144.9	3.2	1.1	698.1	28.9
November	207.4	6.4	.8	145.6	3.2	.9	676.1	20.3
December	225.7	6.7	.6	146.0	3.3	1.0	666.6	73.7

<sup>1</sup> Represents number of individuals for whom monthly benefits were certified to the Secretary of the Treasury during month.

<sup>2</sup> Number of deceased wage earners with respect to whose wage records payments were made.

<sup>3</sup> Number of wage earners with respect to whose wage records payments were made. Figures for September 1939 and subsequent months are for lump-sum death payments with respect to deaths of covered workers prior to Jan. 1, 1940. Figures for January–August 1939 include 59,380 individuals who received payments at age 65; for monthly distribution of these beneficiaries, see the *Bulletin*, March 1940, p. 32, table 2.

<sup>4</sup> Number of individuals on rolls at end of month specified, based on month in which annuity or pension was certified or terminated upon notice of

death rather than on month in which annuity or pension began to accrue or beneficiary died.

<sup>5</sup> Widows receiving both survivor and death-benefit annuities are counted twice, but 2 or more individuals sharing 1 death-benefit annuity are counted as 1.

<sup>6</sup> For 1939, represents number of individuals receiving benefits during middle week of month specified. For 1940, represents average number of weeks of unemployment compensated in calendar weeks ended within month.

<sup>7</sup> Number of individuals receiving benefits during second and third weeks of month for days of unemployment in registration periods of 15 consecutive days in July 1939–November 1940 and of 14 days in December 1940.

<sup>8</sup> Less than 50.

Retirement Act shows a slight increase over November, reflecting the gradual growth of the obligations of the system which is not apparent in the fluctuating figures on total certifications for months with varying number of workdays (table 1). The average number of claimants receiving unemployment compensation in the 4

**Table 3.—Old-age and survivors insurance: Monthly benefits certified under the Social Security Act, by type of benefit, December 1940<sup>1</sup>**

Type of benefit	Number of beneficiaries	Amount certified	Percentage distribution	
			Beneficiaries	Benefits
Total.....	225,700	\$4,583,402	100.0	100.0
Primary.....	114,007	2,809,800	50.5	61.3
Supplementary.....	36,581	493,980	16.2	10.7
Wife's.....	30,215	404,627	13.4	8.8
Child's.....	6,366	89,353	2.8	1.9
Survivors.....	75,112	1,279,622	33.3	28.0
Widow's.....	4,418	107,720	2.0	2.4
Widow's current.....	20,877	470,904	9.2	10.3
Child's.....	48,993	687,632	21.7	15.0
Parent's.....	824	13,366	.4	.3

<sup>1</sup> Distribution by type of benefit partly estimated.

weeks ended in December—667,000—was 1.4 percent less than the average number in the 5 weeks ended in November, though the total payments in the calendar month increased 4.5 percent. The 73,700 railroad unemployment insurance beneficiaries in the middle 2 weeks of December overstate the upward trend in that program because of the concentration in those weeks of delayed payments for November.

Totals of beneficiaries under the programs are not shown because of the different rate of turnover and the variation in duration of benefits under the various programs. Similarly, except for lump-sum payments, the annual total of beneficiaries month by month would not give an unduplicated count of beneficiaries during the year. The figures presented provide an adequate measure, on a different base for each program, of the trends in the number of beneficiaries of each program.

By the end of the first year during which monthly benefits were payable, claims for such benefits aggregating \$4.7 million monthly had been allowed to 254,984 individual claimants of old-age or survivors insurance. In December, 225,700 of these individuals were certified for

monthly benefits; almost 9,000 of them were certified for two checks because of time elapsed between the dates of entitlement and certification for benefits. The 30,000 not certified in December were beneficiaries whose benefits had been terminated because of death, remarriage, or attainment of age 18; or suspended because of earnings in covered employment of \$15 or more a month or nonattendance at school; or deferred because of the receipt of previous lump-sum payments at age 65.

Slightly more than half of the monthly beneficiaries under the old-age and survivors insurance program in December were workers over 65 who had retired from covered employment (table 3). Almost one-sixth were dependents of primary beneficiaries receiving supplementary benefits—wives over 65 and unmarried children under 18. The remaining one-third were survivors of insured workers—widows, orphans, and parents. Because each widow receives three-fourths<sup>1</sup> and each wife, child, or parent, one-half of the wage earner's primary benefit amount, the supplementary and the survivors benefits represent a smaller proportion of the total payments than the number of beneficiaries of these types represent of total beneficiaries.

The 225,700 benefit checks under the old-age and survivors insurance program represent payments to slightly more than 140,000 families. The 37,000 checks to wives and children of primary annuitants supplemented checks to the primary annuitants, and most of the 49,000 checks to children of deceased annuitants went to families in which the mother receives widow's current benefits while she has the children in her care. The primary beneficiaries and the widows receiving benefits of either type always represent separate households. Since parent's benefits are payable only when a fully insured worker leaves no widow or no unmarried child under 18, the parent beneficiaries represent additional families. However, since two dependent parents of one worker may receive separate checks, the 800 parent beneficiaries represent fewer than 800 families.

In contrast, the almost 150,000 individuals on the rolls of the Railroad Retirement Board each represent a separate family, for the Railroad Retirement Act provides no supplementary bene-

<sup>1</sup> Unless this proportion is reduced by the operation of the limitation on total benefits for 1 family.

fits. These railroad beneficiaries included 146,000 retired railroad workers receiving pensions and annuities, totaling almost \$9.5 million per month, and 3,300 survivors of such annuitants, receiving \$109,000 per month. During 1940 the number of pensioners previously taken over from the rolls of the carriers decreased by more than 4,000, and employee annuitants increased by more than 14,000. The surviving spouses of annuitants who had elected joint and survivor annuities (with a

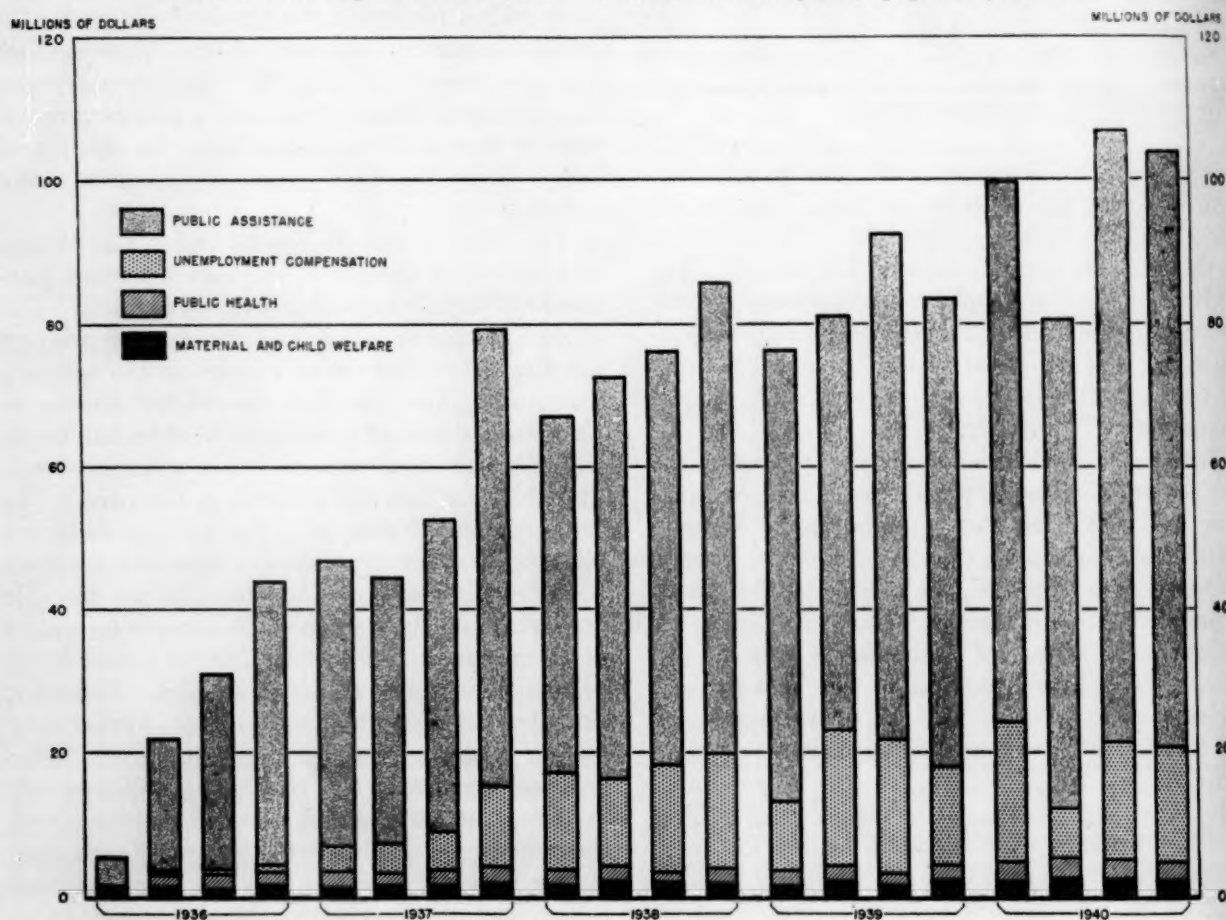
decrease in their own annuities during their lifetime) increased almost 500—to 2,535—while the number of 12-month death-benefit annuities to next of kin of annuitants under the 1935 act remained approximately 700. Thus, survivor annuitants under the Railroad Retirement Act represent only 2.2 percent of the total annuitants, and their annuities only 1.2 percent of the total annuities payable under that act at the end of 1940.

## Financial and Economic Data

The second largest budget ever submitted to Congress was presented in January 1941, with provision for the continuance in full measure of the social security programs. A \$29.2 million rise over the fiscal year 1940-41 in appropriations for pro-

grams under the Social Security and Wagner-Peyser Acts is recommended in line with expanded Federal-State programs under existing law. Estimated 1941-42 expenditures, exclusive of appropriations to the old-age and survivors insurance

Chart 1.—Federal grants to States under the Social Security Act, by quarter, 1936-40<sup>1</sup>



<sup>1</sup> Excludes grants for vocational rehabilitation.

Source: Daily Statement of the U. S. Treasury.

trust fund, represent approximately 2.7 percent of the total budget for the year as compared with 3.3 percent in 1940-41. Total receipts under the Federal Insurance Contributions and Federal Unemployment Tax Acts are estimated at \$816 million for 1941-42 as compared with the estimate of \$756 million for 1940-41 and actual collections of \$712 million in 1939-40. Collections under these two tax acts represent 9.1 percent of the estimated total Federal receipts for 1941-42 as compared with 9.9 percent of estimated receipts of 1940-41. The budget estimates and recommendations for the various phases of the social security program are discussed below in conjunction with financial data for the 5-year period in which the social security program has been in operation.

### Appropriations and Expenditures

During the period in which the Social Security Act has been in effect, \$1,153 million has been disbursed in Federal grants to States for public assistance, child and maternal welfare, and public-health work, \$61 million has been paid in benefits under the Federal old-age and survivors insurance program, and \$201 million has been granted to States for administration of unemployment compensation.

Total administrative expenditures and grants to States under the Social Security Act reached a new peak of \$423.1 million in 1940. Expenditures for the grants-in-aid programs under the Social Security Board increased 17 percent from 1939 to 1940, and 11 percent from 1938 to 1939. Grants under the Children's Bureau rose in general at an increasing rate throughout the period 1936-40 while public-health grants declined slightly in 1938.

Chart 1 shows the quarterly totals of Federal grants to States under the Social Security Act for the period 1936-40. Throughout the 5 years the largest expenditure for grants to States has been made under the public assistance program, principally for old-age assistance. Old-age assistance grants amounted to 62.9 percent and 65.0 percent of total grants to States under the act in 1940 and 1939, respectively.

During the first 6 months of the current fiscal year over half of the total 1940-41 appropriations for old-age assistance, unemployment compensation administration, and child-welfare services were expended. Grants for all other programs were running below 50 percent. Total grants for

the first 6 months of the current fiscal year exceeded grants for the corresponding period of the prior year by \$35.2 million. Every program except grants for unemployment compensation administration shared in this increase (table 1).

The amount of checks issued to each State during 1939-40 under each of the eight grants-in-aid programs is shown in table 10.

**Table 1.—Federal appropriations and expenditures under the Social Security Act for the fiscal years 1939-40 and 1940-41 (expenditures through December)<sup>1</sup>**

[In thousands]

Item	Fiscal year 1939-40		Fiscal year 1940-41	
	Appropriations <sup>2</sup>	Expenditures through December <sup>3</sup>	Appropriations <sup>2</sup>	Expenditures through December <sup>3</sup>
Total, administrative expenses and grants to States.....	\$383,844	\$186,050	\$440,894	\$227,415
Administrative expenses.....	25,188	10,017	27,694	16,139
Federal Security Agency, Social Security Board <sup>4</sup> .....	24,750	9,832	27,220	13,195
Department of Labor, Children's Bureau.....	338	154	364	176
Department of Commerce, Bureau of the Census.....	100	31	110	62
Department of the Treasury <sup>5</sup> .....	( <sup>6</sup> )	( <sup>6</sup> )	( <sup>6</sup> )	2,706
Grants to States.....	358,655	176,042	413,200	211,277
Federal Security Agency.....	349,000	171,665	402,000	206,002
Social Security Board.....	339,500	167,670	391,000	200,843
Old-age assistance.....	225,000	114,288	245,000	133,163
Aid to dependent children.....	45,000	18,659	75,000	32,247
Aid to the blind.....	8,000	2,857	10,000	3,659
Unemployment compensation administration.....	61,500	31,866	61,000	31,775
Public Health Service: Public-health work.....	9,500	3,995	11,000	5,159
Department of Labor, Children's Bureau.....	9,655	4,377	11,200	5,274
Maternal and child-health services.....	4,800	2,090	5,820	2,697
Services for crippled children.....	3,350	1,565	3,870	1,818
Child-welfare services.....	1,505	722	1,510	759

<sup>1</sup> Excludes some funds appropriated and expended under the Social Security Act, because they are not separated from other Federal funds for similar purposes. Such is the case with funds for vocational rehabilitation for which \$111,500 was appropriated in 1939-40 and \$113,000 in 1940-41 for administration in the Office of Education, and \$1,938,000 in 1939-40 and \$2 million in 1940-41 for grants to States. For disease and sanitation investigations in the U. S. Public Health Service, appropriations were \$1,640,000 in 1939-40 and \$1,625,000 in 1940-41 in addition to grants to States shown in this table.

<sup>2</sup> Excludes unexpended balance of appropriations for previous fiscal year. Appropriations for 1939-40 include additional appropriations of \$17.3 million approved Aug. 9, 1939.

<sup>3</sup> Based on checks cashed and returned to the U. S. Treasury. Includes expenditures from reapportioned balance of appropriations for previous fiscal year.

<sup>4</sup> Includes amounts expended by the Board in connection with administration of title II of the act, reimbursed to general fund of the Treasury under sec. 201 (f) of the amended Social Security Act.

<sup>5</sup> Represents amounts expended by the Treasury Department in connection with administration of title II of the Social Security Act and the Federal Insurance Contributions Act, reimbursed to general fund of the Treasury under sec. 201 (f) of the amended Social Security Act.

<sup>6</sup> Not available.

<sup>7</sup> Includes grants certified by the Social Security Board to States for employment service administration to meet requirements of unemployment compensation program. Excludes grants to States for employment service administration under the Wagner-Peyser Act, for which \$3.5 million was appropriated in 1939-40 and \$3 million in 1940-41.

Source: Various Federal appropriation acts (appropriations); Daily Statement of the U. S. Treasury (expenditures).

The budget for the fiscal year 1941-42 raises the estimated expenditures for grants to States administered by the Social Security Board to \$414 million, an increase of 8.5 percent over the \$381.5 million in 1940-41. Larger appropriations are recommended for all grants to States except grants-in-aid for the blind. Each program shows higher estimated expenditures, with the largest percentage increase (15.4 percent) applying to aid to dependent children and the largest absolute increase (\$20 million) to old-age assistance (table 2).

Appropriations for grants-in-aid programs administered by agencies other than the Social Security Board are maintained in the 1942 budget, with two exceptions, at the maximum levels authorized in the amended Social Security Act. The recommended appropriation for vocational rehabilitation under title V of the act is about \$2.7 million as compared with \$3.5 million authorized, and that for disease and sanitation investigation under title VI is \$1.6 million as compared with \$2.0 million authorized.

### Tax Collections

At the end of 1940 cumulative Federal taxes in connection with the Social Security Act totaled \$2.5 billion. Of this amount, \$2.2 billion or 85.2 percent represented Federal insurance contributions and \$377 million Federal unemployment taxes. Annual collections since the passage of the Social Security Act are shown in table 3, as well as collections under the Carriers Taxing Act, the Railroad Unemployment Insurance Act, and the State unemployment compensation programs.

This table is presented as a counterpart to table 1, page 95, which summarizes benefit disbursements under the various social insurance programs. The contributions table departs from Treasury accounting procedures in showing both Federal and State collections and in showing total Federal collections even though a portion of these collections are not included in net Treasury receipts.

All social insurance taxes, whether included in or excluded from net receipts of the Treasury, may be considered as taxes earmarked for social insurance purposes. Collections under the Carriers Taxing Act are used to finance administrative expenses of the Railroad Retirement Board or are transferred to the railroad retirement account. Ninety percent of railroad unemployment insur-

Table 2.—*Appropriations under the Social Security Act, fiscal years 1940-41 and 1941-42*

Item	1940-41 (actual)	1941-42 (estimated)
Total.....	\$444,941,490	\$474,081,791
Federal Security Agency.....	433,267,460	462,407,791
Social Security Board.....	418,209,960	446,944,791
Salaries and expenses.....	27,209,960	25,944,791
Grants to States.....	391,000,000	421,000,000
Old-age assistance.....	245,000,000	270,000,000
Aid to dependent children.....	75,000,000	78,000,000
Aid to the blind.....	10,000,000	10,000,000
Unemployment compensation administration.....	61,000,000	63,000,000
Public Health Service.....	12,625,000	12,625,000
Grants to States for public-health work.....	11,000,000	11,000,000
Disease and sanitation investigation.....	1,625,000	1,625,000
Office of Education.....	2,432,500	2,838,000
Salaries and expenses.....	113,000	113,000
Grants to States for vocational rehabilitation.....	2,319,500	2,725,000
Department of Labor, Children's Bureau.....	11,564,000	11,564,000
Salaries and expenses.....	364,000	364,000
Grants to States.....	11,200,000	11,200,000
Maternal and child-health services.....	5,820,000	5,820,000
Services for crippled children.....	3,870,000	3,870,000
Child-welfare services.....	1,510,000	1,510,000
Department of Commerce, Bureau of the Census.....	110,000	110,000
Salaries and expenses.....	110,000	110,000

Source: The Budget of the United States Government for the Fiscal Year Ending June 30, 1942.

ance contributions are deposited in the railroad unemployment insurance account; the remaining 10 percent is permanently appropriated by congressional act to the railroad unemployment insurance administration fund. The total amount of collections under the Federal Insurance Contributions Act is appropriated to the old-age and survivors insurance trust fund. However, since July 1940 only that portion of the contributions which are used to reimburse the Treasury for administrative expenses of the Board and the Department of the Treasury is included in net Federal receipts. The relation of Federal unemployment taxes to grants to States for unemployment compensation administration is discussed below in connection with the unemployment trust fund.

Three factors have been primarily responsible for changes in Federal unemployment tax receipts. Most important is the change in rates from 1 percent in 1936 to 2 percent in 1937 and to 3 percent in 1938. Changes in credits against the Federal tax claimed by employers who contributed under State laws approved by the Social Security Board have also affected collections. Receipts for unemployment insurance in 1936 and 1937 included almost \$41 million which was subsequently appropriated for refunds to those States which had

not collected taxes on 1936 pay rolls and whose employers had been paying the full amount of the tax to the Federal Government. A third factor is the change in pay rolls subject to taxation.

**Table 3.—Social insurance taxes under selected programs for specified periods, 1936-40**

[In thousands]

Period	Old-age and survivors insurance		Unemployment insurance			
	Federal insurance contributions <sup>1</sup>	Tax on carriers and their employees <sup>2</sup>	State unemployment contributions <sup>3</sup>	Federal unemployment tax <sup>4</sup>	Railroad unemployment insurance contributions <sup>5</sup>	
Cumulative through December 1940.....	\$2,171,221	\$447,205	\$3,114,711	\$376,769	\$82,644	
Calendar year:						
1936.....		183	( <sup>6</sup> )	7 23		
1937.....	492,814	92,652	( <sup>6</sup> )	7 80,620		
1938.....	473,527	110,929	778,392	88,745		
1939.....	567,605	113,219	824,879	102,001	16,082	
1940.....	637,276	130,222	853,824	105,379	66,562	
1939						
January.....	28,866	872	92,775	12,878		
February.....	102,239	27,505	100,647	52,119		
March.....	2,187	27	26,857	1,671		
April.....	27,097	388	78,603	2,811		
May.....	109,093	6,103	92,711	9,125		
June.....	3,287	21,075	11,871	732		
July.....	32,704	696	87,385	2,667		
August.....	106,555	4,446	112,084	8,066		
September.....	2,501	23,741	10,119	497		
October.....	31,449	1,171	105,148	2,936		
November.....	117,479	4,176	95,142	7,981	691	
December.....	4,147	23,018	11,537	519	15,391	
1940						
January.....	31,149	446	120,807	13,665	23	
February.....	115,227	5,405	95,118	57,043	949	
March.....	2,254	25,406	9,074	1,213	15,934	
April.....	35,843	328	100,033	3,022	17	
May.....	122,489	5,778	96,972	8,894	1,378	
June.....	2,895	26,356	10,535	1,020	14,783	
July.....	38,064	529	104,497	504	12	
August.....	123,829	7,052	95,623	8,132	1,180	
September.....	2,759	24,587	7,861	584	15,065	
October.....	34,500	366	115,721	2,747	22	
November.....	125,124	4,804	85,117	7,998	868	
December.....	3,141	29,166	12,464	558	16,331	

<sup>1</sup> Tax effective Jan. 1, 1937, based on wages for employment as defined in Internal Revenue Code (ch. 9, subch. A, sec. 1426), payable by employers and employees.

<sup>2</sup> Tax effective Mar. 1, 1936, based on wages for employment as defined in Carriers Taxing Act, payable by carriers and employees.

<sup>3</sup> Represents contributions plus penalties and interest collected from employers and contributions from employees, deposited in State clearing accounts. For differences in State rates, see p. 46, table 7, footnote 4. Includes contributions based on wages from railroad industry prior to July 1, 1939. Subsequent transfers from State accounts to railroad unemployment insurance account in unemployment trust fund, amounting to \$98.2 million as of Dec. 31, 1940, are not deducted. Figures reported by State agencies are corrected as of Jan. 30, 1941.

<sup>4</sup> Tax effective Jan. 1, 1936, based on wages for employment as defined in Internal Revenue Code (ch. 9, subch. C, sec. 1607) payable by employers only. Amounts represent Federal tax collections after deduction for amounts paid into State unemployment funds on covered wages earned in previous calendar year.

<sup>5</sup> Tax effective July 1, 1939, based on wages for employment as defined in Railroad Unemployment Insurance Act, payable by employers only. Computed from data in Daily Statement of the U. S. Treasury. Ten percent is deposited with the Treasury and appropriated to railroad unemployment insurance administration fund for expenses of the Railroad Retirement Board in administering act; remaining 90 percent is deposited in railroad unemployment insurance account in unemployment trust fund and is not included in receipts of general and special accounts of the Treasury. Amounts therefore differ from figures in table 5, p. 103, which represent only the 10 percent deposited in the Treasury.

<sup>6</sup> State reports not available.

<sup>7</sup> Includes \$40.6 million subsequently refunded to States which did not collect taxes on 1936 pay rolls and in which employers paid full tax to Federal Government.

**Table 4.—Estimates of social security trust fund operations, fiscal years 1940-41 and 1941-42**

Item	1940-41	1941-42
<b>Old-age and survivors insurance trust fund</b>		
Receipts.....	\$723,650,125	\$795,867,450
Appropriation.....	667,500,000	725,300,000
Interest.....	56,159,125	70,567,450
Expenditures.....	106,220,000	194,000,000
Benefits.....	78,000,000	165,000,000
Administrative expenses.....	27,220,000	29,000,000
Net addition to fund.....	618,439,125	601,867,450
Total assets of fund, June 30.....	2,363,137,081	2,965,004,531
<b>Unemployment trust fund</b>		
Receipts.....	1,015,178,400	1,109,715,600
Deposits by States (net) <sup>1</sup> .....	801,800,000	978,300,000
Deposits by Railroad Retirement Board.....	61,200,000	64,800,000
Transfers from States.....	102,900,000	2,000,000
Interest on investments.....	49,278,400	64,615,600
Expenditures.....	466,600,000	423,500,000
Withdrawals by States.....	442,600,000	400,000,000
Benefit payments, railroad unemployment insurance account.....	24,000,000	23,500,000
Net addition to fund.....	548,578,400	686,215,600
Total assets of fund, June 30.....	2,273,440,210	2,959,655,810

<sup>1</sup> Deposits minus transfers from State accounts to railroad unemployment insurance account.

Source: The Budget of the United States Government for the Fiscal Year Ending June 30, 1942.

The Federal Railroad Unemployment Insurance Act, effective in July 1939, removed railroad employers from coverage under the Federal Unemployment Tax Act. This exclusion, and the provision under the 1939 amendments to the Social Security Act whereby wages in excess of \$3,000 a year paid by one employer shall be excluded from taxation will probably cause a decline in receipts for the first time since the taxes were imposed.

The rates of Federal insurance contributions have not changed since the act became effective. The amendments in 1939 eliminated the scheduled increase in tax rates for the 3 calendar years, 1940-42. Several changes in coverage have taken place, however. Effective retroactively through the calendar year 1939, wages of persons aged 65 and over were taxed; these collections were received in the latter part of the calendar year 1939. Other major changes of coverage under the amended act were the inclusion of services on American vessels and employment in member banks of the Federal Reserve System, and the exclusion of certain types of services of farm workers. The latter coverage amendments became effective January 1, 1940, and hence affected tax receipts in only the last 3 quarters of the calendar year 1940.

In view of the changes in coverage and anticipated increases in pay rolls in the ensuing years, the 1942 budget estimates of collections under

the Federal Unemployment Tax Act are \$88 million in 1940-41, and \$91 million in 1941-42. These estimates indicate a decline from actual receipts of \$108 million in the fiscal year 1939-40, the fiscal-year peak for unemployment tax collections. Receipts under the Federal Insurance Contributions Act are estimated at \$668 million for 1940-41, an increase of \$63 million over actual receipts in 1939-40, and at \$725 million in 1941-42 (table 4).

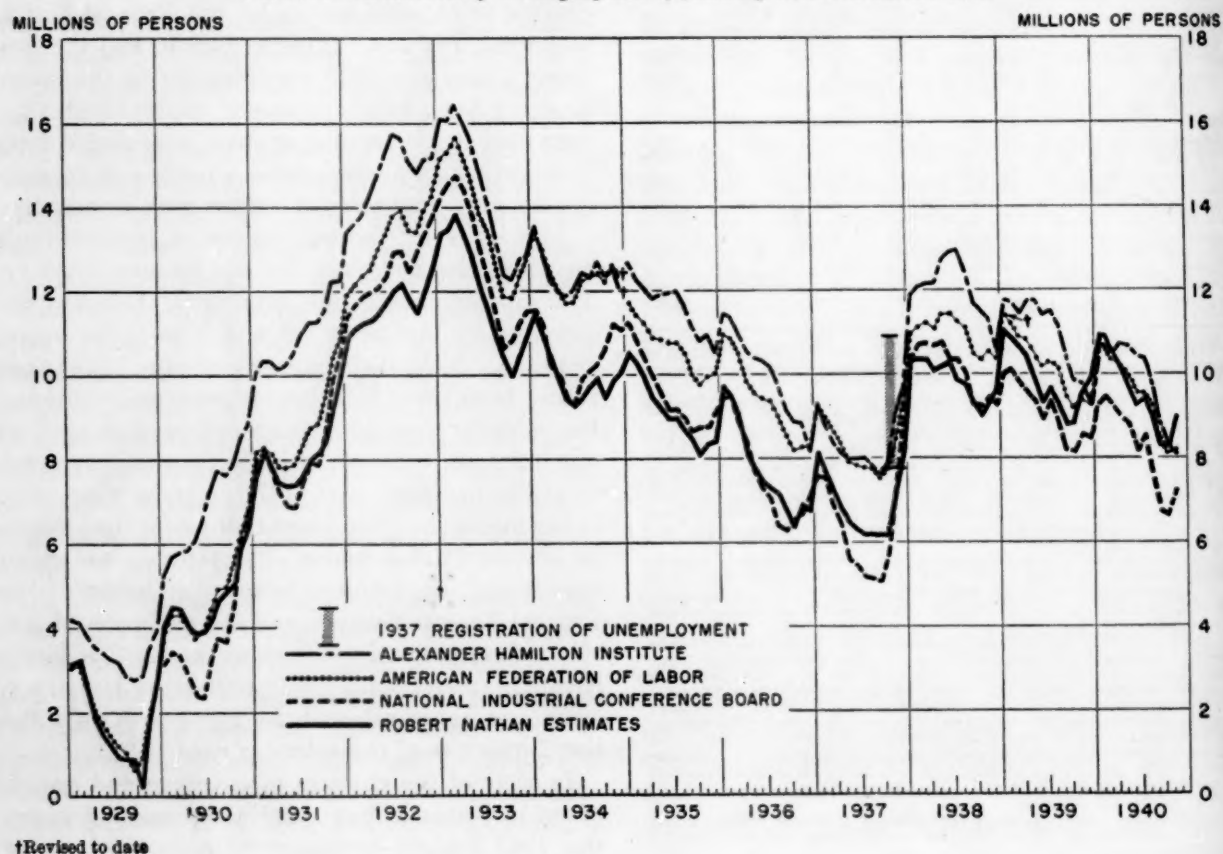
Through December \$327.4 million or 49 percent of the estimated 1940-41 receipts under the Federal Insurance Contributions Act had been received. Current indexes of pay rolls indicate high tax receipts in the third quarter of the fiscal year. The Bureau of Labor Statistics unadjusted index of factory pay rolls rose 6.3 points from 116.5 in November to 122.8 in December, while the unadjusted index of factory employment increased from 114.6 to 116.2. The Federal Reserve Board unadjusted index of industrial production, however, dropped 2 points in December to 133.

In November three of the four unemployment estimates shown in chart 2 show increases. This rise in unemployment may not necessarily affect tax collections under the Social Security Act, since it may occur mainly in noncovered employment, such as agriculture.

### Receipts and Expenditures

During the calendar year 1940 Federal unemployment taxes and Federal old-age insurance contributions represented 11.6 percent of total Federal receipts as compared with 12.2 percent in 1939 and 9.4 percent in 1938 (table 5). The national defense taxes, adopted in the Revenue Act of 1940, were effective during only part of the calendar year 1940. With the new revenue measures effective throughout the year the proportion of social security taxes to total Federal receipts will probably decline. However, the higher levels of business activity and income forecast for 1941 will be reflected more quickly in social security taxes than in other Federal receipts. The

Chart 2.—Estimates of unemployment, January 1929–November 1940



major portion of the social security collections—Federal insurance contributions—lags one quarter behind taxable income payments whereas the major portion of other Federal receipts—income tax payments—lags approximately a year behind income payments. The rise from 1938 to 1939 in the proportion of social security receipts to total

Federal receipts resulted in part from the differences in the lag between these two types of taxes.

Total expenditures under the Social Security Act during the year, including appropriations or transfers to the old-age and survivors insurance trust fund, amounted to 9.8 percent of all Federal expenditures as compared with 9.7 percent in 1939

Table 5.—Social security and railroad retirement receipts, expenditures, and issues and total Federal receipts, expenditures, and debt for specified periods, 1936-40

[In millions]

Period	General and special accounts											Public debt						
	Receipts of Federal Government				Expenditures <sup>2</sup> of Federal Government							Trust ac- counts, etc., <sup>7</sup> excess receipts (+) or expendi- tures (-)	Change in general fund balance	Total	Old- age and survivors insur- ance trust fund <sup>8</sup>	Unem- ploy- ment trust fund <sup>8</sup>	Rail- road retire- ment ac- count	All other
	Total	Social security taxes <sup>1</sup>	Rail- road retire- ment and unem- ploy- ment taxes <sup>1</sup>	All other	Total	Under the Social Security Act		Under the Railroad Reti- rement Board		All other								
						Admin- istra- tive expense and grants to States <sup>4</sup>	Net ap- propria- tions and transfers to old- age and survivors insur- ance trust fund <sup>5</sup>	Admin- istra- tive ex- pense <sup>6</sup>	Trans- fers to rail- road retire- ment ac- count									
Calendar year:																		
1936	\$4,372	( <sup>9</sup> )	( <sup>9</sup> )	\$4,372	\$5,533	\$107		\$1		\$8,425	-\$4,161	+\$8	-\$303	\$34,407		\$64		\$34,343
1937	6,312	\$573	\$93	5,646	8,189	245	\$514	2	\$92	7,336	-1,877	+72	+1,067	37,279	\$513	625	\$50	36,091
1938	5,993	562	111	5,320	8,441	324	343	<sup>3</sup> 3	142	7,629	-2,448	+411	+111	39,427	862	1,064	76	37,425
1939	5,485	670	115	4,700	9,453	354	566	<sup>6</sup> 6	97	8,430	-3,968	+847	-607	41,942	1,435	1,509	77	38,921
1940	6,416	743	137	5,536	10,241	423	581	<sup>7</sup> 7	120	9,110	-3,825	+195	-548	45,025	2,016	1,945	85	40,979
6 months ended:																		
December 1938	2,927	279	53	2,595	4,504	173	205	2	88	4,036	-1,577	+177	+868	39,427	862	1,064	76	37,425
December 1939	2,744	318	59	2,367	4,748	186	268	4	77	4,213	-2,004	+139	-362	41,942	1,435	1,509	77	38,921
December 1940	113,236	348	70	2,818	115,452	227	11311	<sup>3</sup> 3	76	4,835	-2,216	+197	+38	45,025	2,016	1,945	85	40,979
1939																		
December 1940	569	5	25	539	880	20	48	1	10	801	-311	-16	+311	41,942	1,435	1,509	77	38,921
January	315	45	( <sup>9</sup> )	270	712	41		1	10	660	-398	+37	-194	42,110	1,435	1,537	77	39,061
February	444	172	6	266	668	38		( <sup>9</sup> )	10	620	-224	+36	+67	42,365	1,435	1,640	77	39,213
March	934	3	27	904	956	27	10135	1		793	-22	+11	+164	42,540	1,570	1,622	77	39,271
April	304	39	( <sup>9</sup> )	265	783	47		( <sup>9</sup> )	20	716	-479	+58	-303	42,658	1,565	1,640	77	39,376
May	400	131	6	263	647	28		1	4	614	-247	-83	-181	42,808	1,565	1,721	77	39,445
June	784	4	28	752	1,022	11	10136	1		874	-238	-60	-139	42,968	1,738	1,710	79	39,441
July	11367	39	1	327	11854	64	1136	( <sup>9</sup> )	20	734	-487	+51	+367	43,771	1,733	1,723	79	40,236
August	11566	132	7	427	11825	34	11119	1	26	645	-259	+320	+196	43,905	1,728	1,808	85	40,284
September	11711	3	26	683	11760	17	111	1	10	731	-49	-158	-39	44,073	1,876	1,790	85	40,322
October	11365	37	( <sup>9</sup> )	328	11901	57	1132	( <sup>9</sup> )		812	-536	-24	-495	44,137	1,871	1,821	85	40,360
November	11485	133	5	347	11940	37	11123	1	20	759	-455	+216	-103	44,273	1,866	1,934	85	40,388
December	11741	4	31	706	11173	19	111	( <sup>9</sup> )		1,153	-432	-209	+111	45,025	2,016	1,945	85	40,979

<sup>1</sup> Represent collections under the Federal Insurance Contributions Act and the Federal Unemployment Tax Act (formerly titles VIII and IX of the Social Security Act).

<sup>2</sup> Represent total collections under the Carriers Taxing Act and 10 percent of amount collected by the Railroad Retirement Board under sec. 8 (a) of the Railroad Unemployment Insurance Act, which is deposited with the Treasury and appropriated to railroad unemployment insurance administration fund for expenses of the Board in administering act. Remaining 90 percent of collections under the Railroad Unemployment Insurance Act is deposited in railroad unemployment insurance account in unemployment trust fund.

<sup>3</sup> Exclude public-debt retirement. Based on checks cashed and returned to the U. S. Treasury.

<sup>4</sup> Exclude funds for vocational rehabilitation program of the Office of Education and for disease and sanitation investigations in the U. S. Public Health Service. See table 1, footnote 1. Also excludes grants to States for employment service administration under the Wagner-Peyser Act; such grants are included in "all other." Include amounts for administrative expenses reimbursed to the general fund of the Treasury under sec. 201 (f) of the amended Social Security Act.

<sup>5</sup> Prior to January 1940, data represent operations of old-age reserve account.

<sup>6</sup> Includes expenditures for administration of railroad unemployment insurance, amounting to \$90,000 in 1938, \$3.2 million in 1939, \$3.8 million in 1940, and \$1.6 million in 6 months ended December 1940.

<sup>7</sup> Include all trust accounts, increment resulting from reduction in weight of gold dollar, expenditures chargeable against increment on gold (other than retirement of national bank notes), and receipts from seigniorage.

<sup>8</sup> Beginning July 1939, contains separate book account for railroad unemployment insurance account and for each State agency.

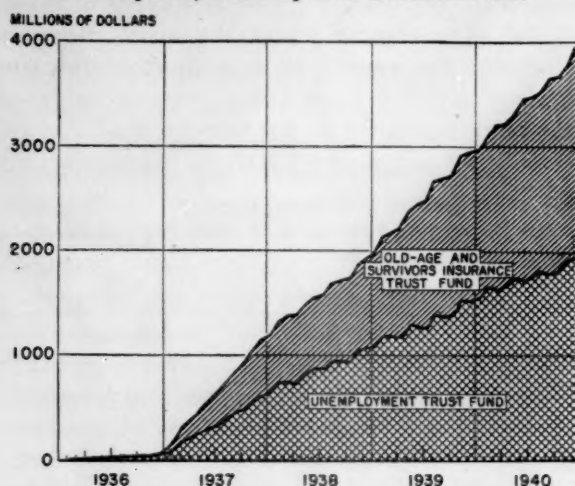
<sup>9</sup> Less than \$500,000.

<sup>10</sup> Excludes reimbursement to the Treasury for administrative expenses amounting to \$6.2 million in March and \$6.1 million in June.

<sup>11</sup> Beginning July 1940, appropriations to old-age and survivors insurance trust fund minus reimbursements to the Treasury for administrative expenses are deducted from total Federal receipts in Daily Statement of the U. S. Treasury to show net receipts and are not shown in disbursements of general and special accounts. These net appropriations are included here in both receipts and expenditures for comparison with previous months.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

**Chart 3.—Investments in trust funds under the Social Security Act, February 1936–December 1940**



and 7.9 percent in 1938. The rise in expenditures reflects the expansion of the social security grants programs as well as the increase in appropriations to the old-age and survivors insurance trust fund resulting from the greater volume of insurance contributions. Effective July 1, 1940, appropriations to the old-age and survivors insurance trust fund were excluded from total Federal expenditures in the general and special accounts of the Treasury, and similarly collections under the Federal Insurance Contributions Act less reimbursements for administrative expenses were excluded from total Federal receipts. Total 1940 expenditures under the act, exclusive of appropriations to the old-age and survivors insurance trust fund, amounted to 4.1 percent of all Federal expenditures, as compared with 3.7 percent in 1939 and 3.8 percent in 1938.

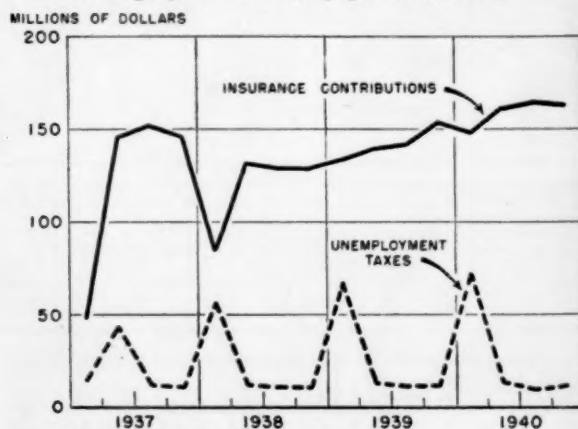
During the first 3 years of the 4-year period 1937–40 total Federal expenditures advanced while receipts declined. In 1940 total expenditures continued to increase sharply with the addition of large disbursements for national defense, but there was also a \$931 million rise in Federal receipts. The public debt grew during 1940 by \$3,083 million. Approximately \$1,025 million or 33.3 percent of the rise in the interest-bearing public debt represents increases in the holdings of the three social insurance trust funds. Federal receipts, expenditures, and public-debt accounts are shown by calendar year in table 5.

At the end of December total investment hold-

ings of the unemployment trust fund and the old-age and survivors insurance trust fund amounted to \$3,962 million (chart 3), or 8.9 percent of the total interest-bearing public debt. These trust funds have since their creation absorbed large amounts of the additions to the public debt, thereby reducing substantially the borrowing required from private investors. Since January 1937 the old-age and survivors and unemployment trust funds have absorbed 36.2 percent of the additions to the interest-bearing public debt, and the three social insurance trust funds (the old-age and survivors insurance and unemployment trust funds and the railroad retirement account) 37.0 percent. During this period (January 1937–December 1940) the proportion of the interest-bearing public debt absorbed by Government agencies and trust funds, including the social insurance funds, has been 47.8 percent. In 1937, 61.2 percent was so absorbed; in 1938 and 1939, approximately 50 percent; and in 1940, 31.1 percent.

Additional amounts of investments of the old-age and survivors and unemployment trust funds estimated at \$1,167 million for the fiscal year 1940–41 and \$1,288 million for the fiscal year 1941–42 are indicated by the 1942 budget. Because Federal expenditures are expected to be financed to an even larger extent through increased public debt, the proportion of social security investments to the estimated rise in the public debt is expected to fall to 19 percent in the fiscal year 1940–41 and 14 percent in 1941–42.

**Chart 4.—Federal insurance contributions and Federal unemployment taxes, by quarter, 1937–40**



Source: Daily Statement of the U. S. Treasury.

### Old-Age and Survivors Insurance Trust Fund

On December 31 the total assets of the trust fund amounted to \$2,030.7 million, of which \$1,369.6 million represented 3-percent special Treasury notes; \$646.9 million, 2½-percent special Treasury notes; \$10.4 million, cash with the disbursing officer; and \$3.8 million, credit of the fund account (table 6).

Benefit payments for the calendar year 1940 totaled \$35.4 million. Approximately 70 percent of this amount was expended for monthly benefits and 30 percent for lump-sum payments to survivors.

The recent budget estimates benefit payments for 1941-42 at \$165 million as compared with \$78 million for the fiscal year 1940-41.

The estimated 1941-42 receipts of \$796 million for the Federal old-age and survivors insurance trust fund exceed by \$72 million receipts in 1940-41, while it is estimated that expenditures of the fund will increase by \$89 million, resulting in a decrease of approximately \$17 million in the net additions to the fund. Net additions consist of

receipts of appropriations plus interest minus expenditures for benefits and administrative expenses. Total assets, based on budget estimates, will be \$2,363 million as of June 30, 1941, and \$2,965 million as of June 30, 1942.

### Railroad Retirement Account

During December \$10 million was transferred from the appropriation account to the trust fund account, and the same amount was transferred from the trust fund to the disbursing officer for benefit payments (table 7). The disbursing officer paid out \$9.9 million on Board certifications, leaving a cash balance of \$21.3 million in this account. Total assets of the account at the end of December were \$145.2 million, representing the balance in the appropriation account, the Treasury notes, and the cash balances in the trust fund and with the disbursing officer.

Tax collections under the Carriers Taxing Act amounted in December to \$29.2 million, and for the quarter October-December 1940 to \$34.3 million. Tax collections for the comparable

Table 6.—Status of the old-age and survivors insurance trust fund, for specified periods, 1936-40<sup>1</sup>

[In thousands]

Period	Receipts			Expenditures		Assets				
	Contributions appropriated to trust fund <sup>2</sup>	Transfers from general fund <sup>3</sup> to trust fund	Interest received <sup>4</sup>	Benefit payments <sup>5</sup>	Reimbursement for administrative expenses	Special Treasury notes acquired <sup>6</sup>		Cash with disbursing officer at end of period	Credit of fund account at end of period <sup>7</sup>	Total assets at end of period
						3-percent	2½-percent			
Cumulative through December 1940.....	\$325, 004	\$1, 705, 000	\$87, 486	\$60, 582	\$26, 203	\$1, 369, 600	\$646, 900	\$10, 416	\$3, 789	\$2, 030, 706
Calendar year:										
1937.....		514, 000	2, 262	1, 016		513, 100		2, 145	251, 000	766, 245
1938.....		343, 000	15, 412	10, 048		349, 200		1, 296	268, 014	1, 131, 609
1939.....		566, 000	26, 951	14, 163		572, 900		7, 129	282, 068	1, 724, 397
1940.....	325, 004	<sup>3</sup> 282, 000	42, 861	35, 354	26, 203	—65, 600	646, 900	10, 416	3, 789	2, 030, 706
6 months ended:										
December 1938.....		205, 000		5, 634		200, 000		1, 296	268, 014	1, 131, 609
December 1939.....		268, 000		5, 905		258, 000		7, 129	282, 068	1, 724, 397
December 1940.....	325, 004		372	25, 454	13, 914	—43, 600	322, 000	10, 416	3, 789	2, 030, 706
1939										
December.....		48, 000		802		43, 000		7, 129	282, 068	1, 724, 397
1940										
January.....				711				6, 417	282, 069	1, 723, 686
February.....				967				5, 450	282, 069	1, 722, 720
March.....		141, 000	132	1, 283	6, 183	—6, 000	141, 000	3, 045	142, 142	1, 715, 387
April.....			116	1, 998		—5, 000		6, 047	142, 259	1, 713, 505
May.....				2, 311				3, 735	142, 259	1, 711, 194
June.....		<sup>3</sup> 141, 000	42, 240	2, 630	6, 106	—11, 000	183, 900	6, 098	500	1, 744, 698
July.....	38, 064		10	3, 117	2, 221	—5, 000		7, 979	36, 354	1, 777, 434
August.....	121, 413		17	3, 565	2, 221	—5, 000		9, 413	155, 565	1, 893, 078
September.....	2, 761		77	3, 878	2, 221	—11, 500	159, 000	10, 370	3, 848	1, 889, 817
October.....	34, 500		42	4, 942	2, 407	—5, 000		10, 426	35, 985	1, 917, 011
November.....	125, 124		54	4, 783	2, 407	—5, 000		10, 640	158, 760	2, 035, 000
December.....	3, 141		171	5, 169	2, 438	—12, 100	163, 000	10, 416	3, 789	2, 030, 706

<sup>1</sup> Prior to January 1940, data represent operations of old-age reserve account.

<sup>2</sup> Beginning July 1940, trust fund appropriations equal taxes collected under the Federal Insurance Contributions Act.

<sup>3</sup> For fiscal year 1936-37, \$265 million was appropriated; for 1937-38, \$500 million; for 1938-39, \$360 million plus additional \$30 million made available by 1940 Treasury Department Appropriation Act; and for 1939-40, \$550 million.

<sup>4</sup> Interest on investments held is credited annually in June; on investments redeemed, in month of redemption.

<sup>5</sup> Based on checks cashed and returned to the U. S. Treasury.

<sup>6</sup> Minus figures represent notes redeemed.

<sup>7</sup> Prior to July 1940, includes balance of appropriation available for transfer.

<sup>8</sup> Excludes \$1.0 million made available for investment from amounts to credit of fund account.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

quarter in 1939 amounted to \$28.4 million. For the 6-month period July-December 1940 tax collections totaled \$66.5 million, compared with \$57.2 million for the corresponding half year in 1939. The increase in tax collections this past half year resulted partly from the increase in the tax rate from 2% to 3 percent and partly from increased pay rolls occasioned by increased employment.

### Unemployment Trust Fund

The growth of unemployment compensation funds, as evidenced by table 8, has aroused discussion on the extension or modification of the financial provisions of the unemployment compensation program.

Since the initiation of the Federal-State unemployment compensation program in January 1936, approximately \$3,152 million has been collected

by the States, the District of Columbia, and the two participating Territories as measured by deposits in the unemployment trust fund. In addition, \$376.8 million was collected in Federal unemployment taxes, and \$82.6 million was collected in 1939 and 1940 in railroad unemployment insurance contributions under the Railroad Unemployment Insurance Act.

Withdrawals from State accounts in the unemployment trust fund for benefit payments (exclusive of transfers to the railroad unemployment insurance account) totaled \$1,352.5 million, and benefit payments amounted to \$1,343.9 million, as of December 31, 1940. In 1940 the first full calendar year in which withdrawals were made by all 51 participating agencies, withdrawals for benefit payments totaled \$517.2 million, as compared with State deposits of \$860.8 million.

Deposits by the Railroad Retirement Board in

Table 7.—Status of the railroad retirement account for specified periods, 1936-40

[In thousands]

Period	Appropriation account		Trust fund account						Account of disbursing officer			Total assets at end of period
	Amount at beginning of period	Balance at end of period after transfers to trust fund account	Transfers from appropriation account	Cancellations and repayments	Interest received	3-percent Treasury notes		Cash balance at end of period after deposits with disbursing officer	Deposits from trust fund	Benefit payments	Cash balance at end of period	
						Net balance of purchases over sales	Balance at end of period					
Cumulative through December 1940.....	\$512,892	\$38,350	\$465,542	\$148	\$5,895	\$85,400	\$85,400	\$106	\$386,084	\$359,375	\$21,315	\$145,170
Fiscal year:												
1936-37.....	46,620	36,622	\$9,998	2	1,411	66,200	66,200	\$140	10,000	4,070	5,930	42,552
1937-38.....	141,894	94	141,800	25	2,202	1,000	67,200	1,956	76,900	76,421	\$1,015	67,449
1938-39.....	118,344	11,250	107,094	94	2,283	12,200	79,400	98	106,574	105,665	1,924	82,329
1939-40.....	131,400	10,750	120,650	20					112,610	113,241	1,292	91,540
6 months ended:												
December 1938.....	118,344	30,844	87,500	70		9,500	75,700	210	78,000	51,462	27,553	134,307
December 1939.....	131,400	54,250	77,150	10		10,000	77,200	5	69,110	55,373	15,661	147,116
December 1940.....	133,350	\$38,350	86,000	7		6,000	85,400	106	80,000	59,978	21,315	145,170
1939												
December.....	64,250	54,250	10,000	1		0	77,200	5	10,000	9,345	15,661	147,116
1940												
January.....	54,250	44,250	10,000	2		0	77,200	7	10,000	9,408	16,253	137,710
February.....	44,250	34,250	10,000	1		0	77,200	8	10,000	9,643	16,610	128,068
March.....	34,250	34,250	0	2		0	77,200	10	0	9,548	7,062	118,522
April.....	34,250	14,250	20,000	3		0	77,200	13	20,000	9,798	17,264	108,727
May.....	14,250	10,750	3,500	1		0	77,200	14	3,500	9,705	11,059	99,023
June.....	10,750	10,750	0	2	2,283	2,200	79,400	98	0	9,767	1,292	91,540
July.....	133,350	113,350	20,000	0		0	79,400	98	20,000	9,640	11,652	204,500
August.....	113,350	87,350	26,000	1		6,000	85,400	100	20,000	10,313	21,338	194,188
September.....	87,350	77,350	10,000	0		0	85,400	100	10,000	9,727	21,611	184,461
October.....	77,350	\$58,350	10,000	3		0	85,400	102	10,000	10,368	21,243	165,085
November.....	58,350	48,350	10,000	2		0	85,400	105	10,000	9,981	21,262	155,117
December.....	48,350	38,350	10,000	1		0	85,400	106	10,000	9,948	21,315	145,170

<sup>1</sup> Represents total appropriation to date, including transfer to appropriation of balance of \$5,392,000 from 1935 act deposits with disbursing officer. Amounts appropriated annually were: 1936-37, \$46,620,000; 1937-38, \$99,880,000; 1938-39, \$118,250,000; 1939-40, \$120,150,000; 1940-41, \$122,600,000.

<sup>2</sup> After transfer of \$9 million to prior service account to provide funds for collection of individual employee records of service and compensation prior to 1937.

<sup>3</sup> Includes payments of \$10 million made directly to disbursing officer in 1936-37 and not treated as transfer to trust fund, which was not set up until

July 1937. Excludes, however, cancellations and repayments of \$2,000 in 1936-37 which were treated as returns to appropriation rather than as additions to trust fund.

<sup>4</sup> Includes transfer of \$4,000 from 1935 act appropriation.

<sup>5</sup> After transfer to appropriation of \$5,392,000 balance from 1935 act deposits with disbursing officer and after transfer to 1935 act appropriation of \$2,000 representing cancellations of checks issued against 1935 act deposits.

Source: Railroad Retirement Board, Bureau of General Control, Division of Finance.

the railroad account in 1940, exclusive of transfers from State accounts, represent current railroad unemployment insurance contributions available to the trust fund during the year. These deposits, amounting to \$59.9 million, are almost 4 times the amount of railroad unemployment benefits paid during 1940.

Although no direct relationship between Federal unemployment taxes and Federal grants to States for unemployment compensation administration was established by law, it was anticipated that Federal tax receipts would cover the cost of administering the Federal-State plans. Total tax receipts for January 1936–December 1940, exclusive of the amount repaid to State accounts, amounted to \$336.2 million; grants to States for administrative purposes totaled \$201.0 million. Almost \$41 million, representing 90 percent of employer contributions collected on 1936 pay rolls in States with unemployment compensation laws not enacted until 1937, was paid into the

State accounts in the trust fund, in order to make these funds available for benefit payments.

On the basis of estimates of employment in 1941, made by the Secretary of Labor and others, it seems likely that there will be increased tax receipts and decreased benefit payments and hence increased reserves. The assets of the trust fund are estimated on the basis of the 1942 budget (table 4) to rise to \$2,273.4 million by June 30, 1941, and to \$2,959.7 million by June 30, 1942. State deposits in the State accounts of the unemployment trust fund are estimated to increase \$75.6 million from 1940–41 to 1941–42 or a rise of 8 percent. This rise is anticipated despite the fact that experience-rating provisions become effective in an increasing number of States. Deposits of the Railroad Retirement Board in the railroad unemployment insurance account are estimated to rise \$3.6 million or 6 percent. In anticipation of decreased compensable unemployment, State withdrawals for benefit payments are

Table 8.—Status of the unemployment trust fund for specified periods, 1936–40<sup>1</sup>

[In thousands]

Period	Total assets at end of period	Special Treasury certificates acquired <sup>2</sup>	Unexpended balance at end of period	Undistributed interest at end of period <sup>3</sup>	State accounts				Railroad unemployment insurance account				
					Deposits	Interest credited	Withdrawals <sup>4</sup>	Balance at end of period	Transfers from State accounts	Deposits	Interest credited	Benefit payments	Balance at end of period
Cumulative through December 1940.....	\$1,957,977	\$1,945,300	\$12,677	-----	\$3,151,610	\$104,003	\$1,450,781	\$1,804,833	\$98,245	\$74,380	\$1,220	\$20,701	\$153,144
Calendar year:													
1936.....	64,906	63,783	1	-----	64,502	554	150	64,906	-----	-----	-----	-----	-----
1937.....	637,585	560,298	12,875	-----	566,658	8,121	2,100	637,585	-----	-----	-----	-----	-----
1938.....	1,072,283	439,289	8,283	-----	829,264	9,460	404,020	1,072,283	-----	-----	-----	-----	-----
1939.....	1,524,784	445,000	15,784	-----	830,404	26,970	429,094	1,499,964	\$599	14,473	(?)	5,252	24,820
1940.....	1,957,977	430,300	12,677	-----	860,784	58,898	614,814	1,804,833	\$97,646	59,907	1,220	15,449	153,144
6 months ended:													
December 1938.....	1,072,283	192,000	8,283	-----	402,203	134	214,300	1,072,283	-----	-----	-----	-----	-----
December 1939.....	1,524,784	242,000	15,784	-----	421,355	267	202,198	1,499,964	\$599	14,473	(?)	5,252	24,820
December 1940.....	1,957,977	235,300	12,677	-----	422,275	21,642	332,247	1,804,833	\$96,445	30,131	1,018	6,148	153,144
1939													
December.....	1,524,784	-3,000	15,784	-----	14,537	149	30,899	1,499,965	0	13,851	(?)	1,046	24,820
1940													
January.....	1,545,997	28,000	8,997	5	62,092	17,072	41,492	1,537,637	\$184	21	25	1,694	\$8,356
February.....	1,655,658	103,000	15,658	5	153,718	-----	43,176	1,648,179	0	869	-----	1,749	7,475
March.....	1,638,578	-18,000	16,578	-----	15,138	135	44,760	1,618,692	0	14,326	1	1,915	19,587
April.....	1,646,757	18,000	6,757	138	52,806	-----	43,104	1,628,394	0	15	-----	1,676	18,226
May.....	1,733,220	81,000	12,220	138	142,501	-----	56,952	1,713,943	990	1,240	-----	1,317	19,139
June.....	1,724,862	-11,000	14,862	-----	12,254	20,049	53,082	1,693,164	28	13,305	176	949	31,699
July.....	1,727,044	13,000	4,044	20	58,840	-----	56,410	1,695,594	\$414	11	-----	692	31,432
August.....	1,817,015	85,000	9,015	20	141,574	-----	51,741	1,785,427	0	1,062	-----	925	31,569
September.....	1,802,082	-18,000	12,082	-----	9,278	133	80,414	1,714,424	43,549	13,558	3	1,020	87,659
October.....	1,824,962	31,000	3,962	68	56,741	-----	82,994	1,688,171	50,016	21	-----	973	136,723
November.....	1,939,111	113,000	5,111	68	143,023	-----	29,863	1,801,331	1,014	781	-----	806	137,712
December.....	1,957,977	11,300	12,677	-----	12,819	21,509	30,826	1,804,833	1,452	14,698	1,016	1,733	153,144

<sup>1</sup> Beginning July 1939, contains separate book account for railroad unemployment insurance account in which are held moneys deposited by the Railroad Retirement Board and from which the Secretary of the Treasury makes benefit payments as certified by the Railroad Retirement Board. Trust fund maintains separate account for each State agency, in which are held all moneys deposited from State unemployment funds and from which State agencies withdraw amounts as required for benefit payments.

<sup>2</sup> Minus figures represent certificates redeemed.

<sup>3</sup> Interest on redeemed Treasury certificates, received by fund at time of redemption but credited to separate book accounts only in last month of each quarter.

<sup>4</sup> Includes transfers to railroad unemployment insurance account.

<sup>5</sup> Includes amounts certified to the State of Connecticut. See footnote 6.

<sup>6</sup> Certified by the Social Security Board to the Secretary of the Treasury, in behalf of the State of Connecticut for payment into railroad unemployment insurance account in accordance with sec. 13 of the Railroad Unemployment Insurance Act.

<sup>7</sup> Less than \$500.

<sup>8</sup> \$15 million was advanced by the Treasury to railroad unemployment insurance account in July 1939 pursuant to sec. 10 (d) of the Railroad Unemployment Insurance Act and was repaid in January 1940.

Source: Daily Statement of the U. S. Treasury.

estimated to decline \$42.6 million or 9.6 percent, and railroad unemployment insurance benefits \$500,000 or 2 percent. It should be noted that the net deposit figures shown in table 4 represent State deposits minus transfers from State accounts to the railroad unemployment insurance account in the unemployment trust fund.

The present tendency toward increasing accumulations of unemployment funds might be reversed. A depression, especially if it resulted from a cessation of defense orders, would have its primary impact on employment in covered industries. The unemployment trust fund would be affected in two ways: States would, of course, draw out

Table 9.—Federal insurance contributions and Federal unemployment taxes,<sup>1</sup> by internal revenue collection district, for October–December 1939 and 1940, and for the calendar year 1940

[In thousands]

Internal revenue collection district in—	October–December 1939			October–December 1940			Calendar year 1940		
	Total	Insurance contributions <sup>1,2</sup>	Unemployment taxes <sup>1,3</sup>	Total	Insurance contributions <sup>1,2</sup>	Unemployment taxes <sup>1,3</sup>	Total	Insurance contributions <sup>1,2</sup>	Unemployment taxes <sup>1,3</sup>
Total.....	\$164,509.3	\$153,068.5	\$11,440.8	\$174,068.1	\$162,765.6	\$11,302.3	\$742,654.5	\$637,275.5	\$105,379.0
Alabama.....	1,158.9	1,094.0	65.0	1,311.2	1,248.2	62.9	5,559.7	4,776.4	783.2
Arizona.....	237.2	230.3	6.9	242.8	238.2	4.6	1,111.9	994.2	117.7
Arkansas.....	443.0	434.5	8.5	477.3	466.7	10.7	2,011.0	1,798.0	213.1
California (2 districts).....	10,051.6	9,579.6	472.0	10,856.7	10,455.7	400.4	44,589.7	39,178.1	5,411.6
Colorado.....	992.3	941.3	51.0	977.9	935.9	42.0	4,186.7	3,679.7	507.0
Connecticut.....	3,233.1	3,064.0	169.0	3,507.1	3,359.8	147.3	15,648.4	13,739.2	1,909.2
Delaware.....	1,002.0	897.7	104.3	1,209.7	1,106.0	103.7	4,770.3	4,118.8	651.6
Florida.....	1,034.8	986.9	47.9	1,200.9	1,161.6	39.4	5,453.9	4,833.0	620.9
Georgia.....	1,632.6	1,535.4	97.3	1,768.3	1,676.2	92.1	7,464.4	6,522.0	942.3
Hawaii.....	340.6	327.2	13.5	357.8	346.8	11.1	1,445.8	1,242.2	203.6
Idaho.....	306.6	302.4	4.2	333.6	331.2	2.4	1,283.8	1,154.4	129.4
Illinois (2 districts).....	15,195.2	13,975.7	1,219.5	16,081.5	14,856.3	1,225.2	68,004.2	58,497.6	9,506.6
Indiana.....	2,966.3	2,876.6	89.6	3,179.2	3,081.3	97.9	13,618.7	11,934.3	1,684.4
Iowa.....	1,508.0	1,472.6	35.4	1,514.1	1,479.5	34.6	6,642.7	5,847.7	795.0
Kansas.....	767.9	692.1	75.8	779.0	730.9	48.1	3,275.1	2,791.3	483.7
Kentucky.....	1,262.3	1,157.3	105.0	1,313.2	1,243.5	69.7	5,778.7	4,897.2	881.5
Louisiana.....	1,201.5	1,152.3	49.2	1,229.7	1,195.1	34.5	5,543.0	4,866.4	676.6
Maine.....	725.6	704.5	21.1	780.2	754.5	25.7	3,007.8	2,647.9	359.8
Maryland (including District of Columbia).....	2,983.8	2,766.1	217.7	3,196.8	3,026.4	170.4	13,673.6	11,674.4	1,999.2
Massachusetts.....	7,473.8	7,113.3	360.5	7,653.8	7,287.9	365.9	33,093.0	28,571.3	4,521.6
Michigan.....	9,173.0	8,567.0	606.0	10,673.1	9,951.2	721.8	45,806.0	39,804.3	6,001.7
Minnesota.....	2,602.5	2,390.0	212.4	2,595.2	2,449.8	135.4	11,007.5	9,395.4	1,612.2
Mississippi.....	392.6	383.5	9.1	411.2	402.7	8.5	1,789.0	1,588.7	200.3
Missouri (2 districts).....	4,423.6	4,077.5	346.1	4,253.4	3,983.6	269.8	18,984.9	16,294.5	2,690.3
Montana.....	333.0	320.1	12.9	361.5	353.1	8.4	1,378.6	1,237.1	141.5
Nebraska.....	826.8	739.8	87.0	819.7	757.7	62.0	3,411.6	2,929.6	481.9
Nevada.....	111.6	110.6	.9	140.4	125.4	15.0	590.0	452.7	137.3
New Hampshire.....	803.9	483.9	320.1	512.5	489.6	23.0	2,077.7	1,820.9	256.8
New Jersey (2 districts).....	6,024.4	5,679.0	345.4	6,524.7	6,158.2	366.5	27,334.0	23,717.0	3,617.0
New Mexico.....	158.4	156.8	1.6	166.9	165.1	1.7	723.0	648.1	75.0
New York (6 districts).....	38,165.3	33,937.2	4,228.1	38,248.0	34,030.7	4,217.4	166,337.4	136,635.0	29,702.3
North Carolina.....	1,996.0	1,909.2	86.8	2,068.5	1,980.8	87.6	9,041.9	7,896.8	1,145.1
North Dakota.....	149.0	145.5	3.5	153.3	148.2	5.1	623.8	565.5	58.3
Ohio (4 districts).....	10,814.6	10,209.4	605.2	11,892.2	11,211.2	681.0	50,199.5	43,552.0	6,647.6
Oklahoma.....	1,455.2	1,377.8	77.4	1,460.1	1,377.6	82.6	6,343.3	5,534.7	808.6
Oregon.....	1,124.0	1,089.8	34.1	1,215.3	1,178.2	37.1	4,844.5	4,267.9	576.5
Pennsylvania (3 districts).....	15,269.0	14,437.2	831.7	17,157.0	16,263.7	893.3	72,008.8	62,734.3	9,274.6
Rhode Island.....	1,083.3	1,060.1	23.1	1,150.6	1,122.3	28.2	5,099.2	4,406.8	692.4
South Carolina.....	754.9	732.1	22.8	812.8	782.8	30.1	3,621.3	3,133.2	488.1
South Dakota.....	165.8	163.2	2.7	174.5	172.5	2.0	697.9	634.2	63.7
Tennessee.....	1,430.7	1,385.7	45.0	1,517.6	1,477.3	40.2	6,754.7	5,830.8	923.9
Texas (2 districts).....	3,861.0	3,621.7	239.4	3,891.7	3,716.2	175.5	16,877.0	14,708.6	2,168.4
Utah.....	375.5	368.9	6.6	390.4	385.3	5.0	1,671.1	1,471.1	200.0
Vermont.....	292.5	284.8	7.7	318.4	301.0	17.4	1,280.3	1,127.1	153.2
Virginia.....	1,652.5	1,579.6	72.9	1,859.0	1,780.6	78.4	7,776.0	6,693.9	1,082.1
Washington (including Alaska).....	2,049.6	1,953.1	96.5	2,315.9	2,215.7	100.2	8,893.7	7,831.7	1,062.0
West Virginia.....	1,343.3	1,275.4	67.9	1,407.2	1,350.1	57.0	5,998.8	5,262.7	736.0
Wisconsin.....	3,311.0	3,180.6	130.5	3,462.2	3,305.3	156.9	14,744.9	12,793.4	1,951.6
Wyoming.....	149.6	145.0	4.5	153.5	147.9	5.6	606.1	543.3	62.8

<sup>1</sup> Titles VIII and IX (except sec. 904) of the Social Security Act were repealed and reenacted as ch. 9, subch. A and C, respectively, of the Internal Revenue Code, approved Feb. 10, 1939. Amendments to the Social Security Act, approved Aug. 10, 1939, permit citation of subch. A and C, as "Federal Insurance Contributions Act" and "Federal Unemployment Tax Act," respectively. Data are based on warrants covered by the Bookkeeping and Warrants Division of the Treasury Department and therefore differ slightly from the tax receipts in table 1, which are based on the Daily Statement of the U. S. Treasury. The amounts listed in this table represent collections made in internal revenue collection districts in the respective States and covered into the U. S. Treasury. The amount received by a particular district does not necessarily represent taxes paid with respect to employment within the State in which that district is located.

<sup>2</sup> Tax effective Jan. 1, 1937, based on wages for employment as defined in ch. 9, subch. A, sec. 1426, of the Internal Revenue Code, payable by both employer and employee.

<sup>3</sup> Tax effective Jan. 1, 1936, based on wages for employment as defined in ch. 9, subch. C, sec. 1607, of the Internal Revenue Code, payable by employers only. The amounts here recorded represent taxes paid after deduction of credits for amounts paid into State unemployment funds. During part of period prior to fiscal year 1938–39, employers were not able to claim credit in States in which the unemployment compensation law had not yet been certified by the Social Security Board.

Source: U. S. Treasury Department, Office of the Commissioner of Accounts and Deposits.

funds more rapidly than at present (at least until benefit rights of the claimants were exhausted), and the amount of State contributions deposited would decrease as a result of the decline in pay

rolls. In this situation, the problem would be one of protecting State balances, rather than the present question of handling increasing credits to the State accounts.

Table 10.—Federal grants to States under the Social Security Act: Checks issued by the Treasury Department through December of fiscal years 1939-40 and 1940-41<sup>1</sup>

[In thousands]

State	Fiscal year 1939-40 through December, total grants	Fiscal year 1940-41 through December								
		Total grants	Federal Security Agency					Department of Labor		
			Social Security Board				Public Health Service	Children's Bureau		
			Old-age assistance	Aid to dependent children	Aid to the blind	Unemployment compensation administration <sup>2</sup>		Maternal and child-health services	Services for crippled children	Child welfare services
Total, all participating States	\$177,668.7	\$223,343.9	\$140,297.9	\$33,759.6	\$3,909.2	\$34,723.1	\$5,101.8	\$2,701.8	\$1,827.7	\$1,022.9
Alabama	1,211.1	1,686.4	684.6	305.1	19.3	322.1	177.0	104.1	39.7	34.4
Alaska	190.2	269.7	155.7	( <sup>3</sup> )	( <sup>3</sup> )	30.6	20.6	48.1	8.0	9.7
Arizona	1,146.3	1,432.7	832.8	302.7	37.0	137.0	37.3	60.5	10.1	15.2
Arkansas	824.5	1,527.5	589.2	294.1	34.2	339.0	134.2	49.8	49.4	37.5
California	18,698.7	26,142.8	20,275.1	2,109.7	1,057.9	2,413.2	136.9	73.6	71.1	5.3
Colorado	3,799.9	5,189.8	4,135.8	618.1	69.4	234.5	56.4	32.0	30.9	12.7
Connecticut	2,033.4	2,874.8	1,678.9	( <sup>3</sup> )	16.8	1,040.7	47.4	42.5	32.7	15.8
Delaware	290.6	311.4	93.7	59.4	( <sup>3</sup> )	107.7	18.3	17.5	3.2	11.6
District of Columbia	720.0	712.6	301.4	124.7	22.4	161.5	38.4	45.6	15.0	3.6
Florida	2,346.1	2,610.4	1,595.3	268.6	120.0	455.9	80.8	45.4	29.4	14.9
Georgia	1,699.2	2,115.9	898.4	317.2	50.5	448.7	165.0	100.0	101.5	34.5
Hawaii	280.9	438.4	87.1	150.4	5.3	96.1	39.0	33.9	17.5	9.1
Idaho	972.7	1,166.0	621.6	283.9	18.9	124.8	44.3	36.1	24.7	11.7
Illinois	12,131.9	13,188.9	10,339.8	( <sup>3</sup> )	( <sup>3</sup> )	2,436.0	242.0	50.1	87.4	33.7
Indiana	6,139.9	7,564.9	4,267.1	1,652.1	184.8	1,227.6	128.5	43.6	36.0	25.2
Iowa	4,026.2	4,814.6	4,155.9	( <sup>3</sup> )	128.6	298.6	124.4	46.6	44.7	15.8
Kansas	2,314.7	3,057.5	1,928.2	612.5	109.2	204.4	72.5	58.5	50.6	23.7
Kentucky	1,956.9	2,376.4	1,670.6	( <sup>3</sup> )	( <sup>3</sup> )	397.6	162.1	71.2	55.1	19.9
Louisiana	1,958.9	3,423.9	1,494.7	1,294.9	74.7	344.5	99.8	67.8	28.3	19.3
Maine	1,395.7	1,713.4	1,016.2	172.8	80.7	345.9	32.5	32.7	18.3	14.3
Maryland	2,273.8	2,851.9	1,150.4	879.0	55.2	597.0	76.5	52.4	25.4	16.0
Massachusetts	9,700.8	13,119.0	8,712.9	1,639.2	99.6	2,440.3	140.1	40.5	36.8	30.4
Michigan	6,790.7	8,616.7	4,515.4	2,190.2	81.9	1,553.5	137.7	75.4	32.1	30.5
Minnesota	5,707.5	6,835.2	4,696.0	1,179.1	99.2	635.7	113.8	53.4	35.7	22.3
Mississippi	907.9	1,126.9	657.2	( <sup>3</sup> )	24.9	190.8	149.3	49.5	25.6	29.6
Missouri	5,931.0	6,526.9	4,688.3	876.7	( <sup>3</sup> )	754.3	78.8	43.6	50.2	35.0
Montana	1,090.0	1,359.0	874.3	256.1	17.6	128.2	29.8	18.1	21.9	13.2
Nebraska	1,643.0	2,760.3	1,750.9	578.3	52.0	276.4	38.9	24.0	16.8	23.0
Nevada	321.8	398.3	218.0	( <sup>3</sup> )	( <sup>3</sup> )	123.2	20.3	27.7	3.1	5.9
New Hampshire	644.2	721.3	409.2	66.8	23.1	160.2	28.7	16.7	8.4	8.4
New Jersey	3,949.7	5,089.2	2,227.4	1,114.6	74.5	1,444.7	118.4	38.5	50.9	20.3
New Mexico	459.7	719.1	274.8	197.3	15.7	99.6	45.4	60.5	18.1	7.6
New York	16,168.1	18,971.2	10,266.9	3,732.1	269.8	4,172.3	297.0	129.8	77.3	26.2
North Carolina	2,442.3	2,932.8	1,356.9	569.1	110.4	533.1	189.5	90.8	46.5	36.4
North Dakota	852.9	1,092.2	517.3	287.2	19.8	166.9	42.5	15.9	32.2	10.4
Ohio	9,540.3	12,567.9	9,278.0	1,036.3	266.1	1,694.0	145.0	68.6	45.7	34.1
Oklahoma	5,038.5	6,310.1	4,659.6	1,023.2	114.3	310.2	90.8	39.7	24.1	13.0
Oregon	2,056.3	2,351.7	1,403.7	203.7	38.3	594.8	34.4	39.7	24.1	13.0
Pennsylvania	12,735.9	15,108.2	6,896.7	4,781.5	0	2,894.1	308.0	90.2	89.4	48.3
Puerto Rico		284.5					147.9	85.9	38.7	12.1
Rhode Island	825.9	977.0	422.4	142.7	4.7	351.8	26.4	13.3	6.2	9.5
South Carolina	1,494.3	1,281.4	504.0	163.9	30.9	271.2	126.9	112.1	46.6	25.8
South Dakota	927.4	1,290.4	1,001.1	54.2	15.8	126.6	40.0	30.1	14.1	8.3
Tennessee	2,392.6	3,134.3	1,437.1	905.3	63.7	441.0	163.4	63.5	28.7	31.5
Texas	6,004.8	7,068.2	5,379.6	( <sup>3</sup> )	( <sup>3</sup> )	1,173.2	268.0	143.2	66.8	37.3
Utah	1,378.3	1,463.6	896.6	313.9	16.2	137.4	38.2	32.6	16.8	12.0
Vermont	458.8	625.4	319.1	57.9	9.9	165.8	29.1	25.6	12.6	5.4
Virginia	1,341.7	1,622.8	597.9	285.0	40.5	436.3	135.0	50.0	49.5	28.6
Washington	3,761.2	4,676.6	3,190.8	545.9	114.0	710.8	45.8	20.5	32.8	16.1
West Virginia	1,807.3	2,308.7	866.4	879.0	52.5	384.7	50.0	26.1	28.8	21.1
Wisconsin	4,441.4	6,003.9	4,010.1	1,145.4	155.5	504.6	77.0	45.8	46.9	18.7
Wyoming	422.7	531.4	296.7	89.5	13.3	84.2	11.9	20.3	7.4	8.1

<sup>1</sup> Excludes Federal funds for vocational rehabilitation under Social Security Act, because they are not separated from other Federal funds for similar purposes.

<sup>2</sup> Includes grants certified by the Social Security Board to States for employment service administration to meet requirements of unemployment

compensation program but excludes grants under the Wagner-Peyser Act. <sup>3</sup> No plan approved by the Social Security Board.

Source: Compiled from data furnished by the U. S. Treasury Department, Office of the Commissioner of Accounts and Deposits.

# Recent Publications in the Field of Social Security

## GENERAL

BRECHT, ARNOLD, and GLASER, COMSTOCK. *The Art and Technique of Administration in German Ministries*. Cambridge: Harvard University Press, 1940. 191 pp.

Brief chapters on German administrative organization and procedures and an annotated translation of the 1926 General Code of Administrative Procedure in the German Reich Ministries (*Gemeinsame Geschäftsordnung der Reichsministerien*) with its appendixes; also a glossary of German administrative words and phrases. The work is thus a detailed source of information on the German system of public administration, which has changed only slightly in spite of political shifts. Mr. Brecht was in charge of the Division for Constitution, Administration, and Civil Service in the Reich Ministry of the Interior, and succeeded in obtaining the passage of the code.

CASSIDY, H. M. "The Social Services in a Federal System." *Social Service Review*, Chicago, Vol. 14, No. 4 (December 1940), pp. 678-709.

Interprets and evaluates the report of the Canadian Royal Commission on Dominion-Provincial Relations, which is said by the author to have been appointed largely because of Canada's social-service problems. This article may be compared with others on this topic, noted below under Innis and under "The Rowell-Sirois Report."

COLES, JESSIE V., and HIESER, LUCILE. *The Economic Status of 436 Families of Missouri Clerical Workers and Wage Earners*. Columbia: University of Missouri, 1940. 80 pp. (College of Agriculture, Agricultural Experiment Station, Research Bulletin 318.)

COMMERCE CLEARING HOUSE, INC., *Conscription; Law and Regulation*. New York, Chicago, etc.: Commerce Clearing House, Inc., 1940. 147 pp.

Includes the full text of the Selective Training and Service Act of 1940, National Guard and Reserve Officers Mobilization Act, Soldiers' and Sailors' Civil Relief Act of 1940, the six "volumes" of Selective Service Regulations released to date, and the Selective Service Questionnaire. Indexed.

COMMERCE CLEARING HOUSE, INC. *Labor Laws—Federal*. New York, Chicago, etc.: Commerce Clearing House, Inc., 1940. 137 pp.

The full text, with commentaries, of the National Labor Relations Act and the Fair Labor Standards Act of 1938, "together with selected rules and regulations, and interpretative bulletins of general application issued under the authority of these statutes." A comprehensive index is included.

DOANE, ROBERT R. *The Anatomy of American Wealth: The Story of Our Physical Assets (Sometimes Called Wealth) and Their Allocation as to Form and Use Among the People*. New York, London: Harper, 1940. 345 pp.

This work "is intended to supply an informative statement covering the fundamental categories of tangible wealth, classified according to their major character and use." It is, according to the author, "an exploratory expedition" rather than a final treatise, and as such contains not only information but also a discussion of procedures. Some international data are given. The appendixes discuss in some detail American source materials and include bibliographical data and a glossary of terms.

GAUS, JOHN M., and WOLCOTT, LEON O. *Public Administration and the United States Department of Agriculture*. Chicago: Published for the Committee on Public Administration of the Social Science Research Council by Public Administration Service, 1940. 534 pp. (Studies in Administration, Vol. 10.)

Traces the history of the Department of Agriculture, describes its "substantive activities," and—in a final section on The Resulting Department of Agriculture—gives a general analysis and evaluation. The appendixes include departmental documents and a chapter by Verne B. Lewis on Budgetary Administration in the Department of Agriculture.

HOSCH, LOUIS E., and MARSH, HARRY W. "The Merit System's First Year." *Surrey Midmonthly*, New York, Vol. 77, No. 1 (January 1941), pp. 3-5.

This account of the progress of State personnel merit systems in agencies operating under the social security programs discusses the work of the State Technical Advisory Service of the Social Security Board.

HOWARD, MAYNE S. *Principles of Public Finance*. New York, Chicago, etc.: Commerce Clearing House, Inc., 1940. 438 pp.

A comprehensive description of the purposes of public expenditures and the different types of taxes in effect. Includes chapters on the shifting and incidence of taxation; the effects of financial policy on production, distribution, and consumption; and suggested improvements in the tax systems of the United States. Each chapter concludes with suggestions for research.

INNIS, H. A. "The Rowell-Sirois Report." *Canadian Journal of Economics and Political Science*, Toronto, Vol. 6, No. 4 (November 1940), pp. 562-571.

A critical account of the formation of the Canadian Royal Commission on Dominion-Provincial Relations and an analysis of some of its recommendations.

KRAUS, SIEGFRIED. "Social Security as a Method of Social Work." *Jewish Social Service Quarterly*, New York, Vol. 17, No. 2 (December 1940), pp. 249-255.

The place of social work in a changing world economy in which public welfare has expanded; with particular attention to social insurance rather than to assistance.

**LaSALLE EXTENSION UNIVERSITY.** *Social Security Legislation and Administration.* 2d ed. Chicago: LaSalle Extension University, 1940. 103 pp.

The general structure of State and Federal laws relating to the social security program. "The emphasis is mainly on the businessman's problems in connection with the payment of State and Federal unemployment compensation taxes."

**LOUGHEED, W. F., and MacKENZIE, W. C.** *Provincial Finance in Nova Scotia; An Introduction.* Toronto: Thos. Nelson & Sons, 1940. 96 pp. (Institute of Public Affairs, Dalhousie University, Bulletin No. 10.)

Includes a chapter on relief and welfare expenditures.

**MALISOFF, HARRY.** "The Social Security Act in Operation." *Public Affairs* (Dalhousie University), Halifax, N. S., Vol. 4, No. 2 (December 1940), pp. 88-92.

A brief description of all the programs under the act.

**MYERS, ROBERT J.** "Errors and Bias in the Reporting of Ages in Census Data." *Transactions of the Actuarial Society of America*, New York, Vol. 41, No. 104, Pt. 2, (Oct. 30 and 31 and Nov. 31, 1940), pp. 395-415.

**RATHBONE, ELEANOR F.** *The Case for Family Allowances.* Harmondsworth, England, and New York: Penguin Books, 1940. 118 pp.

Summarizes ethical and economic arguments against "the present method of provision for children" and indicates weaknesses of many of the devices that have been suggested for improving the situation. Advocates a family-allowance system and describes such allowances in Great Britain and other countries. A table in the appendix summarizes 20 plans by British firms now granting family allowances.

"The Rowell-Sirois Report; A Canadian Reaffirmation of the Democratic Faith in Social Progress." *International Labour Review*, Montreal, Vol. 42, No. 6 (December 1940), pp. 347-376.

A comprehensive account of the report of the Canadian Royal Commission on Dominion-Provincial Relations, with special emphasis on the portions relating to the social services. See also articles by Cassidy and Innis, above.

**SMYSER, WILLIAM L.** "Recent Developments in German Life Insurance." *Best's Insurance News, Life Edition*, New York, Vol. 41, No. 9 (Jan. 2, 1941), pp. 583-587.

**U. S. OFFICE OF GOVERNMENT REPORTS.** *United States Government Manual; Fall 1940.* Washington: U. S. Information Service, 1940. 654 pp.

Includes changes through November 1, 1940, and has a section on national defense.

**WESTFELD, ALBERT.** "The Distance Factor in Migration." *Social Forces*, Baltimore, Vol. 19, No. 2 (December 1940), pp. 213-218.

The author gives his reasons for adding to the recognized causes of migration "an additional fundamental factor," namely, the migrant's knowledge of job opportunities. The relation of this factor to the distance factor is discussed.

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**WILLIAMS, CLAUDIA; BRYANT, DRAYTON S.; and JONES, AARON E.** *Youth—California's Future; A Summary of the Findings of the California Youth Survey.* Sacramento: Department of Education and State Relief Administration, March 1940. 72 pp.

Information and recommendations concerning the economic problems of young persons, related needs of youth, and the work of official agencies in this field.

## OLD-AGE AND SURVIVORS INSURANCE

*Analysis of Local Provisions for Teacher Retirement.* In *Research Bulletin of the National Education Association*, Washington, Vol. 18, No. 3 (May 1940), pp. 83-128 (entire issue).

A review of 65 local—as distinct from State—teacher retirement systems, including a digest and a detailed tabulation of the provisions.

"Average Amounts Paid to Employee Annuitants." *Monthly Review of the Railroad Retirement Board*. Washington, Vol. 1, No. 7 (November 1940), pp. 4-6. Processed.

**CORSON, JOHN J.** "We Insure Your Workers." *Social Security Bulletin* (National Association of Manufacturers), New York, Vol. 5, No. 1 (January 1941), pp. 6 ff.

Facts and comment for businessmen on the administration of old-age and survivors insurance.

**CRANEFIELD, PAUL F.** *Social Security and Life Insurance.* Madison, Wis.: Security Press, 1940. 202 pp.

Comprehensive information on benefits under old-age and survivors insurance. Several chapters are devoted to suggestions for life insurance programs, including the use of insurance to supplement Federal benefits. A discussion of war and life insurance is also given. The book contains bibliographic material, an index, and the text of title II of the amended act.

**LATIMER, MURRAY W., and TUFEL, KARL.** *Trends in Industrial Pensions.* New York: Industrial Relations Counselors, Inc., 1940. 88 pp. (Industrial Relations Monograph No. 5.)

A summary of the preliminary findings of a study of industrial pension systems now in hand, which in certain respects is a continuation of *Industrial Pension Systems in the United States and Canada* published in 1933. The analyses "are concerned for the most part with the 347 active pensions plans that were either established or revised in the period May 1, 1932, to December 31, 1938." Includes a tabular summary of Federal old-age benefit legislation.

"Social Security Changes Necessitated by Defense Program." *Social Security*, New York, Vol. 15, No. 1 (January 1941), pp. 1 ff.

Advocates expansion of the existing "sound social security program for dependents and survivors" to provide support for the dependents of drafted persons, for those

disabled in military service and their dependents, and for unemployed soldiers following demobilization. Also suggests protecting the old-age insurance rights of those drafted for service.

ZINGLER, ERVIN K. "Pensions, Disability and Relief Benefits for Louisiana Policemen and Firemen." *Louisiana Municipal Review*, Baton Rouge, Vol. 3, No. 5 (September-October 1940), pp. 13-16.

Reviews five acts passed by the Louisiana State Legislature in 1940.

## EMPLOYMENT SECURITY

ALBRIGHT, R. MAYNE. "The Importance of Labor Clearance." *North Carolina Labor and Industry*, Raleigh, Vol. 7, No. 12 (December 1940), p. 3.

AMERICAN SOCIETY OF TOOL ENGINEERS. A. S. T. E. *Fact Finding Committee Report on "Causes of Unemployment" as Presented by John M. Younger, Chairman, and an Analysis of the Report by James R. Weaver.* . . . Detroit: American Society of Tool Engineers, 1940. 8 pp.

ATKINSON, RAYMOND C. *The Federal Role in Unemployment Compensation Administration; A Report Prepared for the Committee on Social Security.* Washington: Committee on Social Security, Social Science Research Council, 1941. 192 pp.

Fully describes the Federal aspects of the administration of unemployment compensation in the United States, including Federal influence on State legislation; the philosophy, history, and techniques of the 100-percent grant for administration; Federal administrative standards; and the research and technical services of the Social Security Board. In his emphasis on "issues concerning possible improvements in administrative operation or structure," the author considers the relative merits of Federal-State and Federal systems, and advocates a completely national system. "But if so fundamental a change is not politically feasible, it is essential that an effort be made to strengthen and perfect the present system by the adoption of national standards concerning the contribution and benefit structure and by the establishment of an effective plan of reinsurance." The publication is the result of 4 years' study, during most of which the author and Walter Matscheck jointly studied unemployment compensation in many States. Two previous publications also appeared as a result of their work: *The Administration of Unemployment Compensation Benefits in Wisconsin*, 1937, and *Problems and Procedures of Unemployment Compensation in the United States*, 1939.

BOWEN, HOWARD R. "War Finance and Unemployment." *Journal of Business*, Iowa City, Vol. 21, No. 2 (December 1940), pp. 13-16.

The author gives reasons for believing that governmental borrowing to finance rearmament holds more promise of increasing employment than an effort to raise most of the funds by taxation.

CARPENTER, MARTIN F. "What the Defense Program Offers Youth." *Occupations*, New York, Vol. 19, No. 4 (January 1941), pp. 243-247.

Current and prospective opportunities for jobs and training.

CLAGUE, EWAN. "Industrial Expansion and the Employment Security Program." *Social Security Bulletin* (National Association of Manufacturers), New York, Vol. 5, No. 1 (January 1941), pp. 5 ff.

COHEN, WILBUR J. "The Need for Federal Standards in Unemployment Insurance." *Social Security*, New York, Vol. 15, No. 1 (January 1941), pp. 3-4 ff.

Cites existing benefit levels and describes variations between States as reasons for liberalizing unemployment compensation laws through Federal action and for creating a joint reinsurance or equalization fund.

DUNNAGAN, M. R. "Changes in Law Recommended." *North Carolina Labor and Industry*, Raleigh, Vol. 7, No. 12 (December 1940), p. 3.

Summarizes recent recommendations by the State Advisory Council of the North Carolina Unemployment Compensation Commission.

FLORIDA STATE COLLEGE FOR WOMEN. DEPARTMENT OF ECONOMICS AND COMMERCE. *Disqualifications Under the Florida Unemployment Compensation Law.* Tallahassee: Florida Industrial Commission, Department of Research and Statistics, Aug. 21, 1940. 14 pp. Processed. (Industrial Commission Research Memorandum No. 6.)

The results—in tabular form and without discussion—of a unique study of public opinion concerning the legal disqualifications under a State unemployment compensation law. The study was made by the class in social insurance of the Florida State College for Women during the second semester of 1939-40. The class compiled a mailing list of 2,500 persons, designed a questionnaire containing hypothetical cases, and asked how long the disqualification should extend in each case. More than 20 percent of the questionnaires were returned, and the findings are transmitted as a research memorandum of the Florida Industrial Commission.

GALLAGHER, RALPH P. *The Intelligent Job Seeker's Guide Book.* Elizabeth, N. J.: The Author, 1940. 56 pp.

Practical suggestions by the supervisor of guidance and secondary schools, Elizabeth, New Jersey.

GREGG, MARION A. "The Ohio State Employment Service and the National Defense Program." *Compensator* (Ohio Bureau of Unemployment Compensation), Columbus, Vol. 3, No. 6 (August-October 1940), pp. 7 ff.

HANNINGTON, WAL. *Ten Lean Years; An Examination of the Record of the National Government in the Field of Unemployment.* London: Gollancz, 1940. 287 pp.

A critical survey of British policies in unemployment insurance and assistance.

HOGHAUS, R. A., and JAHN, F. S. "Unemployment Compensation in the United States." *Transactions of the*

*Actuarial Society of America*, New York, Vol. 41, No. 104, Pt. 2 (Oct. 30 and 31 and Nov. 1, 1940), pp. 440-462.

A brief systematic summary with special attention to financial experience, "some questions of basic principle" (adequacy of benefits and experience rating), and "some possible next steps." The authors find the following changes "worthy of investigation: (1) revision of the benefit formula on a basis of social adequacy—with the family, and not the individual wage earner, being the unit to be compensated and the waiting period and maximum duration be such as to justify (socially, financially, and otherwise) the existence of the unemployment compensation plans; and (2) broadening of the financial system to require contributions not only of employers but of employees and perhaps the State as well—as an alternative to experience rating."

HUMPHREY, DON D. *Family Unemployment; An Analysis of Unemployment in Terms of Family Units*. Washington: U. S. Government Printing Office, 1940, 144 pp. (Work Projects Administration.)

The "relation between unemployment in terms of individual workers and unemployment in terms of family units," and between "unemployment in the sense of idleness and unemployment in the sense of destitution." The deductive method developed—as checked with census data—constitutes the work's chief contribution. "It is not a method of estimating unemployment but a method of converting into family units either census figures or estimates that are in terms of individual workers. Estimates of the number of totally unemployed families for the United States are presented by months from 1929 to date."

"Job Campaigns for Unemployed Youth." *Monthly Labor Review*, Washington, Vol. 51, No. 5 (November 1940), pp. 1128-1136.

Activities of organizations in several States where the National Youth Administration had conducted job campaigns.

KENTUCKY. UNEMPLOYMENT COMPENSATION COMMISSION. *Survey of Employment and Wages in Kentucky During 1939*. Frankfort, November 1940. 62 pp. Processed. (Research and Statistics Unit, Research Report No. 23.)

Comprehensive tables, by county and industry, based on a special employment report completed by Kentucky employers subject to the State unemployment compensation law.

KIDDER, JEROME H. T. "Training Job Instructors." *Conference Board Management Record*. Vol. 2, No. 12 (December 1940), pp. 144-152.

"Labor Takes Offensive Against Merit Rating." *Social Security*, New York, Vol. 15, No. 1 (January 1941), pp. 5-6.

Summarizes resolutions against experience rating adopted at the national conventions of the American Federation of Labor and the Congress of Industrial Organizations, and notes other activities of organized labor on this issue.

LOUDEN, DON. "Injunction Halts Use of New Benefit Formula." *Compensator*. (Ohio Bureau of Unemployment Compensation), Columbus, Vol. 3, No. 6 (August-October 1940), pp. 3 ff.

Comment on court action by employers enjoining use of a new benefit formula adopted by the Ohio Bureau of Unemployment Compensation for determining the average weekly wage.

MALONEY, LEONARD J. "The International Association of Public Employment Services" *Occupations*, New York, Vol. 19, No. 4 (January 1941), pp. 258-259.

MAYER, ELIZABETH HARVEY. "The Effect of the War on the Organization and Structure of the Canadian Employment Market; A Preliminary Study." *International Labour Review*, Montreal, Vol. 43, No. 1 (January 1941), pp. 51-89.

MERTZ, PAUL A. "Constant Wage Plans." *Executives Service Bulletin*, New York, December 1940, pp. 1-2.

Outlines the advantages to both employee and employer of wage stabilization and describes a plan developed at Sears, Roebuck and Co.

MISSOURI. UNEMPLOYMENT COMPENSATION COMMISSION. *An Investigation to Determine the Effect on 1939 Contributions that Would Have Resulted From Exemption of Individual Wages Payable in Excess of \$3,000.00 Per Annum*. Jefferson City, Nov. 20, 1940. 16 pp. Processed. (Special Research Bulletin No. 2.)

Results of a questionnaire submitted to 20 percent (13,000) of all employers in Missouri.

"Occupations of Unemployment Insurance Beneficiaries." *Monthly Review of the Railroad Retirement Board*, Washington, Vol. 1, No. 7 (November 1940), pp. 2-3 ff. Processed.

PERKINS, FRANCES. "Our Expanding Labor Market." *Occupations*, New York, Vol. 19, No. 4 (January 1941), p. 248-249.

Excerpts from an address on defense employment.

"Preserving Unemployment Compensation Rights in Case of Military Service." *Social Security Bulletin* (National Association of Manufacturers), New York, Vol. 5, No. 1 (January 1941), pp. 6 ff.

Some recommendations of the Executive Committee of the Interstate Conference of Employment Security Agencies.

"State Unemployment-Compensation Laws, October 1, 1940." *Monthly Labor Review*, Washington, Vol. 51, No. 5 (November 1940), pp. 1094-1099.

"Toledo Plan for Placing Veterans." *Monthly Labor Review*, Washington, Vol. 51, No. 5 (November 1940), pp. 1120-1122.

U. S. NATIONAL RESOURCES PLANNING BOARD. *The Economic Effects of the Federal Public Works Expenditures, 1933-1938*. Prepared by J. K. Galbraith, assisted by G. G. Johnson, Jr., for the Public Works Committee. Washington: U. S. Government Printing Office, 1940. 131 pp.

"What the Employer Expects of the Employment Service." *Compensator* (Ohio Bureau of Unemployment Compensation), Columbus, Vol. 3, No. 6 (August-October 1940), pp. 8 ff.

[WYOMING. UNEMPLOYMENT COMPENSATION COMMISSION.] *A Study of Experience Rating in Wyoming*. Place not given [1940]. 27 pp. Processed.

## PUBLIC WELFARE AND RELIEF

ATHEARN, LEIGH. "Unemployment Relief in Labor Disputes; California's Experience." *Social Service Review*, Chicago, Vol. 14, No. 4 (December 1940), pp. 627-654.

A detailed case narrative and commentary.

BAKER, HELEN CODY. "Social Workers as Propagandists." *Survey Midmonthly*, New York, Vol. 77, No. 1 (January 1941), pp. 10-12.

"Care of Aged in Rochester, N. Y." *Monthly Labor Review*, Washington, Vol. 51, No. 5 (November 1940), pp. 114-119.

CHARITY ORGANISATION SOCIETY, LONDON. *How to Help Cases of Distress; A Year Book of Information Respecting the Statutory and Voluntary Means of Relief*. 38th ed. London: P. S. King and Charity Organisation Society, June 1940. 243 pp.

A compact, comprehensive guide to the various British services.

"Child Welfare Services: Our First Line of Defense." *Social Service Review*, Chicago, Vol. 14, No. 12 (December 1940), pp. 730-736. ("Notes and Comment.")

Advocates the expansion of child welfare services by a larger Federal appropriation under the Social Security Act.

"County Responsibility in the Administration of Assistance." *Public Welfare in Indiana*, Indianapolis, Vol. 50, No. 12 (December 1940), pp. 6-7.

The functions of the Indiana State Department of Public Welfare in directing county welfare activities such as financing, personnel, rule making, and appeals and reviews.

COTTRELL, EDWIN A. *Pasadena Social Agencies Survey*. Pasadena, 1940. 378 pp.

A comprehensive study of private agencies in Pasadena, with brief descriptions of governmental organizations in the city. Contains the recommendations of the board of directors of the Pasadena Community Chest.

"Effect of the Stamp Plan on Living Levels." *Monthly Labor Review*, Washington, Vol. 51, No. 5 (November 1940), pp. 1060-1065.

*Fifth Annual Round Table Conference*. In *Public Welfare News*, Chicago, Vol. 8, No. 12 (December 1940), pp. 1-20 (entire issue). Processed.

Summaries of the various sections of the Fifth Annual Round Table Conference of the American Public Welfare Association, held in Washington, D. C., December 1940.

"Hobbies of Recipients," *Welfare Bulletin* (Illinois State Department of Public Welfare), Springfield, Vol. 31, No. 11 (November 1940), pp. 9 ff.

HUBBACK, EVA M. "Family Allowances in Great Britain." *Public Affairs* (Dalhousie University), Halifax, N. S., Vol. 4, No. 2 (December 1940), pp. 83-87.

"Local Office Activity in Administering Public Assistance in Missouri," *Index of Public Assistance in Missouri*, Jefferson City, Vol. 3, No. 3 (July-September 1940), pp. 86-99.

An analysis based on a time study of the principal activities of local offices.

MERIAM, ADELE STUART. *The Stepfather in the Family*. Chicago: University of Chicago Press, 1940. 158 pp. Processed. (Social Service Monographs.)

The legal position of the stepfather. Written chiefly for case workers, it considers 105 American cases and 3 leading British precedents. With a list of judicial decisions and the text of several selected decisions.

"Mobility of Recipients of Public Assistance." *Tennessee Public Welfare Record*, Nashville, Vol. 3, No. 11 (November 1940), p. 4.

NATIONAL CONFERENCE OF JEWISH SOCIAL WELFARE. *Proceedings . . . Including Joint Sessions With the National Council for Jewish Education and the National Association of Jewish Center Executives, at the Annual Sessions, Pittsburgh, Pa., May 21-26, 1940*. In *Jewish Social Service Quarterly*, New York, Vol. 17, No. 1 (September 1940), pp. 1-207 (entire issue).

Among the subjects discussed were family welfare (4 papers), child care (5), vocational services (2), and care of the aged (1 paper).

NEW YORK CITY. DEPARTMENT OF INVESTIGATION. *Administration of Relief in New York City; Report . . .* New York, 1940. 345 pp.

The report aims "to present to the public a clear statement of the problems and methods involved in the administration of public relief in New York City."

"Partners in Public Welfare Administration." *Public Welfare in Indiana*, Indianapolis, Vol. 50, No. 12 (December 1940), pp. 3-4.

Federal, State, and local government cooperation in public assistance, with special reference to Indiana. Illustrated.

PIERSON, HARRY E. "Relief in California." *Tax Digest*, Los Angeles, Vol. 19, No. 1 (January 1941), pp. 18-25.

Costs and trends in the various public welfare categories, with comparative data from other States.

REED, ELLERY F. "Welfare Expenditures and Relief Rolls Compared With Community Need," *Social Forces*, Baltimore, Vol. 19, No. 2 (December 1940), pp. 219-227.

SMITH, ANNA KALET. "Child-Welfare Legislation in Brazil." *The Child*, Washington, Vol. 5, Nos. 5 and 6 (November-December 1940), pp. 118-121.

"Social Problems and National Defense." *The Compass*, New York, Vol. 22, No. 3 (December 1940), pp. 3-4 ff. Suggestions derived from the platform of the American Association of Social Workers.

SPRINGER, GERTRUDE. "Hazards Ahead for Public Welfare." *Survey Midmonthly*, New York, Vol. 77, No. 1 (January 1941), pp. 6-8.

A survey of issues discussed at the Round Table Conference of the American Public Welfare Association, held in Washington, D. C., December 1940.

SPRINGER, GERTRUDE. "Miss Bailey Goes Visiting: 'The Line Forms on the Right.'" *Survey Midmonthly*, New York, Vol. 77, No. 1 (January 1941), pp. 13-14.

Duplication of community welfare services by many specialized agencies.

STRODE, JOSEPHINE. *Introduction to Social Case Work*. In collaboration with Pauline R. Strode. New York, London: Harper, 1940. 219 pp.

An introductory text for the training of social workers, with chapters on unemployment, child welfare, public assistance, and other "areas of service" under the Social Security Act.

"Symposium on: 'Social Breakdown: A Plan for Measurement and Control.'" *The Family*, Albany, Vol. 21, No. 9 (January 1941), pp. 283-300.

"Why Assistance Grants Vary: Among Cases; Among Counties." *Indiana Public Welfare*, Indianapolis, Vol. 50, No. 12 (December 1940), pp. 8-9.

YOUNGGREN, HELEN. "Unmet Needs in the Foster Care Field." *Welfare Bulletin* (Illinois State Department of Public Welfare), Springfield, Vol. 32, No. 1 (January 1941), pp. 14-16.

Problems of child placement in Illinois.

## HEALTH AND MEDICAL CARE

AGNEW, G. HARVEY. "Hospital Care Insurance Plans." *Public Affairs* (Dalhousie University), Halifax, N. S., Vol. 4, No. 2 (December 1940), pp. 76-79.

The present character of plans in the United States and Canada, with an evaluation of trends and of possible future developments.

BAKER, EDITH M. "Health and Dependency." *Social Service Review*, Chicago, Vol. 14, No. 12 (December 1940), pp. 710-722.

Changing concepts of the objectives of public health work and some "findings of the past decade relating to health and dependency." On facts cited, the author calls for an extension of health and medical services.

BEATTY, RACHEL E., and BIEHL, KATHARINE A. "Medical Social Work in Allegheny County." *The Federator*, Pittsburgh, Vol. 16, No. 1 (January 1941), pp. 8-10.

BRITTEN, ROLLO H. "The National Health Survey; Receipt of Medical Services in Different Urban Population Groups." *Public Health Reports*, Washington, Vol. 55, No. 48 (Nov. 29, 1940), pp. 2199-2224.

Presents data, by economic status, on attendance or nonattendance by a doctor, hospitalization, nursing, and other medical services.

"Employability of the Handicapped." *Monthly Labor Review*, Washington, Vol. 51, No. 5 (November 1940), pp. 1123-1127.

FRIEDBERG, EMANUEL B. "Medical Problems in the Care of the Aged." *Jewish Social Service Quarterly*, New York, Vol. 17, No. 2 (December 1940), pp. 229-235.

GARRIDO MORALES, E. "Medical Care to the Underprivileged in Puerto Rico." *Puerto Rico Health Bulletin*, San Juan, Vol. 4, No. 12 (December 1940), pp. 326-335.

This issue of the *Puerto Rico Health Bulletin* appeared on the occasion of the meeting of the Inter-American Institution for Hospital Administrators, San Juan, December 1940. It contains a number of articles on health services and hospital administration in Puerto Rico and elsewhere.

"The National Youth Administration Contributes to the National Health." *Journal of the American Medical Association*, Chicago, Vol. 115, No. 25 (Dec. 21, 1940), pp. 2185-2186.

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PLUMLEY, MARGARET LOVELL. *Medical Social Work in Tax-Supported Health and Welfare Services; A Report of the American Association of Medical Social Workers and the American Public Welfare Association*. Chicago: American Public Welfare Association, November 1940. 101 pp.

The result of the study made in 1939, among 14 public agencies, to obtain a picture of the activities of medical social workers, including their education, selection, salaries, and community relationships. Includes a description of medical social work in each of the agencies studied.

SAVAGE, PAUL. "Public Health and Public Welfare." *Tennessee Public Welfare Record*, Nashville, Vol. 3, No. 11 (November 1930), pp. 5-6 ff.

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SELLERS, A. HARDISTY. "Highlights on Hospitalization in Ontario." *Canadian Public Health Journal*, Toronto, Vol. 31, No. 12 (December 1940), pp. 595-606.

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WILINSKY, CHARLES F. "What Is Hospital Indigency?" *Hospitals*, Chicago, Vol. 15, No. 1 (January 1941), pp. 13-16.

A discussion of the question of who is entitled to free hospital care.

WILLIAMSON, MARIAN. "Care of Crippled Children in Kentucky." *Public Health Nursing*, New York, Vol. 33, No. 1 (January 1941), pp. 44-46.

The coordinated functions performed by the Kentucky Crippled Children Commission and the Kentucky Society for Crippled Children, a private organization.